



EU Development Policy in Times of Polycrisis

*2nd ETTG Dialogue on the EU
and Global Development*

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The report builds on the findings of a workshop organised on May 10-11 in Berlin by the Elcano Royal Institute, the German Institute of Development and Sustainability (IDOS) and the European Think Tanks Group. The event benefited from the support of the Spanish Ministry of Foreign Affairs, European Union and Cooperation, and the German Federal Ministry of Economic Cooperation and Development.

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The views expressed in this paper are those of the authors.

KEY MESSAGES

- In today's context of growing geopolitical complexity, a more political approach to the EU's international cooperation and development policies is needed. This approach necessitates four fundamental changes: more comprehensive and result oriented partnerships based on equality and mutual interests, more inclusive international fora as a result of rebalancing global power relations, innovative and creative ways to support locally led transformation processes and the timely and effective delivery of commitments by EU institutions, able to adapt quickly to the changing context of international cooperation.
- In response to an increasingly multi-polar world with a multi-aligned Global South the EU could strengthen its core identity and added value. Key principles, core objectives and values such as democratic governance, rule of law, human rights, social justice, economic and social multi-stakeholder dialogue and the sustainable and equitable provision of global public goods should remain key assets of the EU's international cooperation. But the EU should walk the talk and apply these principles and value agendas in a consistent way, avoiding patronising attitudes, policy incoherence and double standards.

KEY MESSAGES (CONTINUED)

- The EU should find a *modus vivendi* in managing its international cooperation with a growing number of non-like minded countries in the Global South. Agreeing to disagree, while striking pragmatic deals with these countries will be unavoidable. The EU institutions should be equipped to deal with these political realities in a way that identifies and pursues shared agendas without eroding the EU's own values and legitimacy.
- In recent years the EU has made efforts to improve intra-EU and member states coordination and complementarity, as well as strengthen the consistency of EU development instruments and initiatives (such as NDICI/Global Europe, Global Gateway, Team Europe, ...). There remains considerable room for improvement in several areas: a better integration of development, domestic and foreign policy objectives, reconciling the EU's "offer" and own interests agendas with the priority agendas of partner countries, the inclusion of important non-financial aspects in the EU's international cooperation agendas (e.g. trade deals, labour mobility, public diplomacy such as educational and cultural exchange programmes etc).
- The impact of the new EU instruments and tools should be closely monitored and evaluated. Competent think tanks in both Europe and in the Global South could play a useful role in systematically assessing results so as to improve their effectiveness and impact.

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INTRODUCTION

The year 2023 marks three years since the first COVID-19 lockdowns and one year since Russia's war against Ukraine; at the same time, it witnesses the effects of a worsening climate crisis and various other connected global challenges. Under these polycrisis conditions, the European Union's development policy faces challenging and perhaps even existential questions.

These interconnected crises pose manifold domestic challenges and constraints, with EU governments called to cope with more contingent and politically sensitive demands, such as defence expenses, increasing energy prices and inflation. On 20 June the European Commission published ambitious proposals to revise the EU's long-term budget in response, yet the upcoming European Parliament election campaigns and volatile political situations in some EU member states will make it challenging to find consensus during the coming months. Globally, the EU has to adapt to a reshaped geopolitical order and identify the partners with which it can jointly act on these crises and in multilateral fora. Development policy increasingly plays a supporting role in this repositioning of the EU and its related economic, foreign policy and geopolitical interests, which is also reflected in initiatives such as the Global Gateway.

Development objectives have clearly expanded faster than the available means. The EU and its member states collectively remain the world's leading donor, providing more than 40% of global Official Development Assistance (ODA)¹ and international climate finance. Despite these investments, the EU faces major difficulties in strengthening Europe's collective credibility and reliability in the eyes of its partners. UN General Assembly Resolutions on Ukraine tabled in 2022 and 2023 and the difficulties the EU experienced in building alliances with the G77 countries during COP27 testify that a significant part of the so-called Global South (for which some participants suggested the alternative term "New South") is not necessarily aligned with the EU's priorities, interests and policy agendas.

With the 2024 European Parliament elections and subsequent leadership changes appearing on the horizon, the EU is challenged to reconsider its role as a global development actor and its associated involvement in global issues and multilateral governance. These reflections should inform a renewed EU vision and approach to engaging on topics as diverse as inclusive growth, investment and jobs, sustainable agriculture, peace and security, migration and mobility, combating environmental degradation and climate impacts, governance, skills and education, research, innovation and the digital economy.

It is against this backdrop that the Elcano Royal Institute and the German Institute of Development and Sustainability (IDOS) in cooperation with the network of the European Think Tanks Group (ETTG) organised a two-day event in Berlin on 10–11 May 2023 to reflect on the future role of the EU as a global development actor. The event included a public panel and a closed-door workshop, and benefited from the support of the Spanish Ministry of Foreign Affairs, European Union and Cooperation, and the German Federal Ministry of Economic Cooperation and Development. The underlying rationale of this initiative has been, on the one hand, to foster a rethinking of EU international cooperation by better defining its distinctive features, added value and potential allies in the world, and on the other, to provide inputs for the Spanish presidency of the EU.

The event was the second edition of the annual **ETTG Dialogue on the EU and Global Development**. The first workshop was held in Madrid in May with main points and reflections reported in an ET TG paper.² Discussions at the second workshop in Berlin revolved around three main axes, which are further explored in this report: (1) the global context: instability and polycrisis; (2) building solid alliances with partners and strengthening their trust in the EU; and (3) adapting the EU's development cooperation tools and means to new challenges. Participants not only identified major challenges but also shared proposals for future different partnerships, all of which are discussed below.

RECOMMENDATIONS

A series of recommendations are suggested by the conveners of this dialogue and authors of this report.



A bold move towards a more political approach to development requires adjustments. Such an approach is welcomed by most parties but also requires political, institutional and communication adjustments, since it implies a deep change with respect to the traditional, rather technical and low-key approach to development cooperation. This necessarily suggests some type of trial and error process where tools need to be more flexible to adapt to new and changing realities, along with a clearer "chain of command" from Brussels and the European capitals to the delegations in the Global South.



Moving away from a confrontational narrative. The EU could avoid presenting development cooperation as part of a competition with a third party (against China, for instance) and re-align with the narrative where cooperation is part of a partnership in the developing process of the Global South (with Chile, for instance).



Development policies based on the EU's added value. The EU could capitalise its several added values with respect to other major players: the capacity to support and work with civil society organisations, backing human rights, promoting democratic governance or building and promoting the sustainable and equitable provision of global public goods. In this sense, EU tools for global development could strengthen their political dialogue dimension so that the inputs of partners in Africa, Latin America and Asia

are better understood and incorporated when designing strategies, programmes and projects. In other words, the EU has its own objectives, values and interests. Countries in the Global South have them too and the EU should proactively engage with these countries ahead of taking decisions that may affect them.



Domestic-external consistency. Despite the increased intra-EU coordination and consistency triggered by several EU initiatives (such as Global Gateway or Team Europe), there is still room for improvement in several areas such as a better integration of development and both domestic and foreign policy objectives. The EU should also critically evaluate the costs and benefits of such efforts to integrate and promote a joined-up foreign policy.



A manageable toolkit. Overlaps of tools with duplicated objectives, budgetary origin and processes (e.g. Global Europe, Global Gateway, Team Europe) should be avoided. This would also allow for a more effective monitoring and assessment of new institutional initiatives. In this same line, clarifying the actual scope and scale of the different programmes and the available means can help avoid frustration and mistrust.



Better communication. As stated in the previous edition of this report, there is a communication problem with EU development cooperation tools, and this needs to be addressed.³

1. https://ec.europa.eu/commission/presscorner/detail/en/ip_22_4532

2. <https://ettg.eu/wp-content/uploads/2022/07/The-future-of-the-EU-as-a-global-development-actor.pdf>

3. Whereas the Von der Leyen Commission prefers to refer to the policy area as "international partnerships", this paper predominantly uses the term development policy as this remains the wording in the EU Treaty.



1. THE GLOBAL CONTEXT: INSTABILITY AND POLY-CRISIS

The global or geopolitical context has changed dramatically in the past few months. The EU has managed to overcome the pandemic, with most member states showing mild but promising rates of economic growth, whilst inflation remains a concern but is being addressed by targeted policy responses.

Notwithstanding these and other causes for optimism, the polycrisis has hit several countries and regions of the Global South, where already critical social and economic situations have worsened. A number of countries are going through a debt crisis (or are on the verge of it), inflation levels are uncontrolled, food and climate insecurity are on the rise. In Africa for instance, eight countries face debt distress and 13 are at high risk of debt distress.⁴ Most of the 17 SDGs have seen weak progress or have stagnated, inequalities are rising and several countries are experiencing reverse trends in sustainable development. SDG financing needs are massive and it is clear that they cannot be matched only through ODA, blended finance

or private sector mobilisation. The current global context is a result of the combination of structural factors on the one hand, and rapid short-term changes on the other. The shifting power from the West to the rest of the world has been happening for decades. However, the polycrisis is accelerating said changes.

Moreover, the global context is very nuanced. Regional or geopolitical blocs are not clear-cut, after four decades of globalisation and increasing world interdependence. Therefore, political decisions should not depart from the basis that the world is back to a reconfiguration similar to that of the Cold War. Hence, while the South might not be that Global (or New), neither is the West a monolithic bloc, with the European socio-economic model still being unique and distinct from the US one. In the Western bloc, although the EU and the US are essential allies in the support towards Ukraine, they are competing in other sectors, as was shown by the failure of the Transatlantic Trade and Investment Partnership negotiations or the clashes linked

to the adoption of the US Inflation Reduction Act. The EU should not compromise on its values and rules – which still make it a unique development actor globally – but it should also be more pragmatic in managing relations with non-like-minded countries (e.g. autocratic regimes). Seeing its relations with other countries and regions from the lens of political economy might help EU authorities to understand the incentives, disincentives, values and interests of other countries that, in the end, build their political decisions in foreign and global affairs on a clear, but different, rationale. However, the EU should also be more honest about its financial limitations in order to manage expectations.

The EU is trapped in a difficult dilemma. On the one hand, it needs to take a wider, whole-of-government approach in its redefinition as a global player. On the other, it faces pressing domestic and regional challenges that necessitate more reactive and ad-hoc responses. Among them, the climate crisis or the war in Ukraine, which might further exacerbate the challenge of justifying to taxpayers the use of public budgets for development assistance initiatives abroad. This dilemma results in specific trade-offs in geographical and sectoral terms. For instance, the response to the climate crisis requires an incredible volume of technical and financial resources that might displace the attention put on other basic social development needs. Also, the instability in the Indo-Pacific could be overlooked as a result of the war on the eastern border of Europe.

All other countries, regions, global and regional players and supra-national organisations find themselves in exactly the same complex and changing context, and therefore are trapped in similar dilemmas and difficult political positions. Their decisions in regional and global fora follow the rationale of their vulnerabilities and assets, interests and values. In this changing context, the voting of 3 March 2022 on the Russian aggression against Ukraine at the level of the UN General Assembly shows clearly that the Global South has become more assertive, refuses to choose among preferred partners and is “multi-aligned”, establishing dialogue and cooperation in a way that is functional to support its path towards better socio-economic development. The EU needs to adapt to this changing environment, to acknowledge and respect that these countries might want to work with several partners to support their national interests, and thereby avoid fuelling frustration and postcolonial resentment on patronising attitudes or double standards.

The “new normal” has not materialised yet. The Bretton Woods system is in existential crisis and in need of a deep reform. Southern players are building an increasingly thicker and alternative network of institutions (e.g. BRICS+), economic (e.g. digital currencies and competition over the US dollar), political and social links. The recent decision of Saudi Arabia to invest 8 billion US dollars to support Türkiye’s debt is a clear sign that countries of the Global South are starting to make investments in each other’s economies, also in local currencies to reduce dependence and de-dollarise the global financial system.⁵

However, the exact reconfiguration of the world is yet to come, and remains to be decided by all players involved. In this context, the EU needs to understand the current instability and take a proactive role in the redefinition of the international system. With new blocs emerging, there will be a weakening of the current multilateral system and institutions. The EU should stand fiercely against these trends, working with partners to make these institutions more inclusive and accountable, and taking the lead on some issues where partnerships with the Global South can become deeper and stronger (e.g. reforming the UN Security Council, supporting agencies of new regions in the G20, promoting more equal partnerships at the level of the WTO, etc.).



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4. <https://www.un.org/africarenewal/magazine/april-2023/african-ministers-call-reformed-global-debt-architecture>

5. <https://cepr.org/voxeu/columns/de-dollarisation-happening>



2. BUILDING STRONGER ALLIANCES: HOW TO REBUILD TRUST AND MAKE THE EU A MORE ATTRACTIVE PARTNER?

The abovementioned multiple crises of the past years have had a tremendous impact on human development, exposing the most vulnerable countries to multiple shocks and fragilities. Against this backdrop, the response given by the EU has triggered long-standing underlying tensions and frustrations among Europe's partners. Some of the initiatives taken (e.g. Global Gateway) risk being perceived as a mere attempt to imitate what China is doing in some regions of the world, particularly in Africa.

However, these difficulties should not be a cause for doom and gloom, as they instead offer a unique opportunity for a more open and frank dialogue with Europe's global partners. The EU's rights-based approach to international cooperation is still unique, but needs to be complemented by more ambitious and political decisions that fill the gap between policy and practice.

In order to build or rebuild trust and partnerships with partners from the South, the EU and its member states should identify common interests as the starting point (including each other's stability as a mutual interest), as well as recognise that no one has the solution for the current challenges and that

these solutions must thus be sought together (challenges are transversal across North and South, and global development concerns us all). In this regard, opportunities for true dialogue and for seeking solutions together should be leveraged with all partners. While the EU needs to invest in its more formal international partnerships, it also needs to be able to pragmatically and flexibly engage in "coalitions of the willing" to advance and push key interests. In that sense, there is a need to consider how the EU may best invest in and benefit from partnerships that primarily have a historical and postcolonial configuration.

The EU and its member states should acknowledge and truly understand the different experiences, positionalities and interpretations of events of the different partners. All partners might avoid basing their relations with others on the grounds of historical background or geographical proximity. Honesty and a realistic and pragmatic acknowledgement that all actors have their interests and values can help here in rebuilding mutual trust.

The EU should avoid unilateral measures and take into careful consideration the needs of their global partners – be they consolidating trade or creating new trade routes to climb up the value chain, investment climate, debt relief (e.g. through Debt Service Suspension Initiative or Special Drawing Rights reallocation), boosting health architecture (for instance by accelerating the creation of local manufacturing capabilities for mRNA vaccines), tackling illicit financial flows, addressing the root causes of social conflicts and supporting viable and effective energy and digital transitions.

It is essential to understand that the partnerships are not merely about financial resources. This is due not only to the limited scope and fiscal space provided by ODA, but also because partnerships are about political decisions and statements, about acting coherently, with transparency and in a transformative way (which ought not to be assumed). There are no quick wins or easy solutions, hence listening and looking at the long haul without overpromising should be prioritised.

Far from mere self-flagellation, the EU should continue working in and emphasising the areas in which it has a particular added value as a partner, such as the defence of global public goods, and defending the essentials for the EU such as a human rights and values agenda. Here it needs to be acknowledged that the EU's influence in this field is derived from its own "domestic" performance in terms of democratic governance and human rights, including through its migration policy.

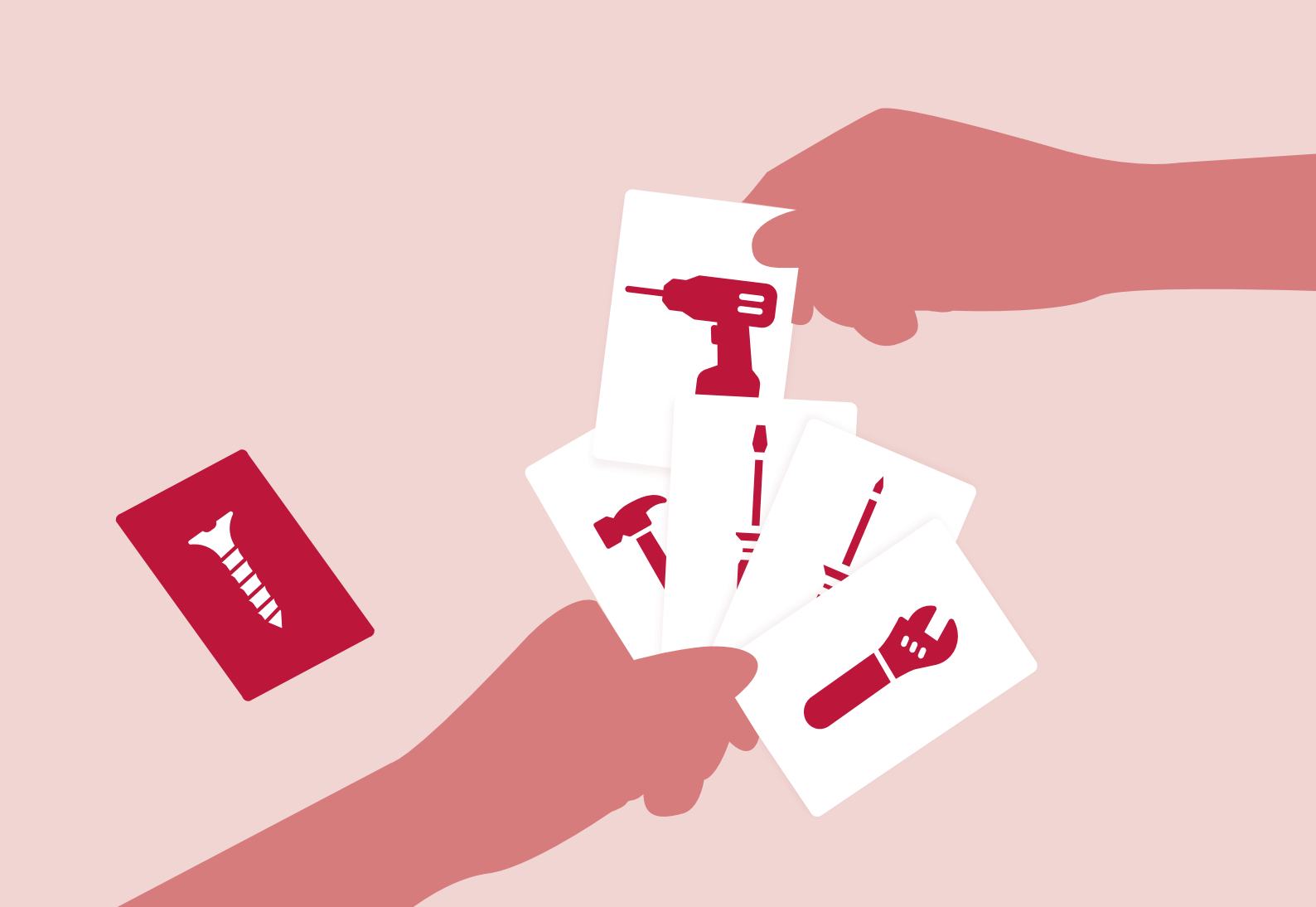
These real partnerships will contribute to having a stronger voice at the table in the multilateral system. In the current context of claims for reform of the multilateral institutions, and particularly of the global financial system, it is important to shape this reform together and to continue to uphold multilateralism to make these institutions more inclusive and trustworthy. A clear example is the UN Security Council, 70% of whose decisions rotate around Africa, but with no African permanent seat.

Finally, the EU should abandon the idea that partnerships can only be forged among like-minded partners, as it might be necessary to partner with non-like-minded countries or develop strategies for those countries (e.g. India) with whom the EU still does not have a clear foreign policy approach. Many parts of the world are already actively engaging in multilateral conversations, but not through the traditional channels. The EU needs to proactively decide to be part of those conversations and learn to manage relations with different types of partners.



The EU should avoid unilateral measures and take into careful consideration the needs of its global partners. Among them consolidating trade or creating new trade routes to climb up global value chains, addressing debt relief, strengthening the global health architecture, tackling illicit financial flows, supporting viable and effective energy and digital transitions.





3. ADAPTING THE EU'S DEVELOPMENT COOPERATION TOOLS AND MEANS TO NEW CHALLENGES

The EU is still a crucial development player, with a whole range of instruments – beyond ODA – that can have an impact in tackling poverty and global inequalities. In the past years, a broader consensus has been reached on the need to couple the EU's ODA budget with other sources of funding ranging from public financing to blended finance and even mobilisation of domestic resources. In June 2021, the EU's development cooperation secured its largest institutional reform thus far through the merging of several external financing instruments into the Neighbourhood, Development and International Cooperation Instrument/Global Europe (NDICI/Global Europe). Among other innovations, the new instrument brings together grants, blending and guarantees and has enabled the EU to promote public and private investment. However, last year showed that the €79.5 billion in NDICI/Global Europe – most of which will be ODA – will not be sufficient to cope with the direct and indirect costs that COVID-19, the climate emergency and Russia's invasion of Ukraine have generated. These external shocks, together with more domestic challenges such as the implementation of the EU Green Deal or the tensions over the perpetual "migration crisis" are putting pressure on the EU's internal solidity and coherence, while risking affecting its soft power and global alliances.

Against this backdrop, the EU also launched the Global Gateway, an ambitious strategy aimed at mobilising up to 300 billion euros of investments for sustainable and high-quality projects. Meanwhile, a review of the EU's budget will start while at the same time campaigns for the European Parliament elections in 2024 are heating up. Therefore, the EU needs to reconsider its various tools and means for development policy, and with whom it needs to do this – through Team Europe and associated European partners, with alliances ranging from the African Union, Latin America to the G7 and G20.

In the past few months, the Global Gateway has attracted strong attention, but also criticism as partner countries might see this as a way to imitate China's Belt and Road Initiative, questioning its real capacity to reflect the interests of both the EU and its partners, as well as the standards that define Europe as a development actor. On the one hand, the Global Gateway, along with Team Europe, represents a shift towards working together politically among EU actors (institutions and member states), which shows that this can be done when there is true political will, and as such should be leveraged. On the other hand, analysts

criticise this approach, claiming that the EU's development policy should be based on an active positioning, and not as a mere reaction to China. The impact of the Global Gateway will only be truly transformational and gain global significance if its approach is well-integrated and able to address not only certain policies but also the environment, taxation, democracy and rule of law. There is indeed a clear recognition that infrastructural investments may fail if they are not coupled with transparent and effective governance, but also with decent work, social protection and longer-term sustainable growth.

These new tools will be successful if accompanied by both internal and external changes. At the internal level, the ambition to cooperate with countries from the Global South seems consistent even across political changes within EU member states. Although these have very different visions, the coordination among them seems to have improved considerably, even if this might not always be necessarily perceived as such by partner countries. During the event, a number of issues were identified to increase this coordination:

- (1) All these common instruments need to be made more agile in order to adapt to changing policy priorities.
- (2) Given the increasing convergence between development policy and foreign policy, it is important to explicitly define what "success" entails in development policy (e.g. geopolitical aims in addition to poverty reduction).
- (3) Although internal coordination among Ministries and the broad range of development actors (banks, practitioners, CSOs, etc.) has improved, some bottlenecks have not been fully solved, with the associated constant risk of duplication of work and efforts.
- (4) The link between internal and external policies is becoming stronger, as exemplified by the proposed Critical Raw Materials Act, which relates to both domestic and external markets.
- (5) In terms of replenishing and budgetary prospects for development cooperation, the midterm review of the Multiannual Financial Framework 2021–2027 should aim to increase even further the share of the EU's collective Gross National Income assigned to development. This is not an easy task, as the current geopolitical context is already putting a lot of pressure on member states' budgets.

When looking outward and positioning ourselves vis-à-vis partners and others:

- (1) The new EU tools need to consider what partner countries want, rather than what the EU is able to offer in a coordinated manner. In this sense, the involvement of partner countries in country programming is essential. Since COVID-19 there seems indeed to be more joint working and programming between EU institutions and member states, but also with partner countries, thus helping elaborate a much more holistic and accurate view of what the EU can contribute, although these dialogues are sometimes rather procedural and confirmative. In this sense, it is also important to take into account that the EU "offer" is grounded in its interests, values and profile as a global donor and player.
- (2) The guarantee system is very important although still at an experimental phase. It can be a new way of embarking not only companies from Global South countries, but also civil societies, whose place in the Global Gateway is still vague and unclear. However, it should not be underestimated that this is the first time the EU has had an actual toolbox for engaging with the private sector, which changes the possibilities for the EU to engage as a single actor, as member states of different sizes are working together now. However, this invariably requires the involvement of both governments and the private sector for the approach to be holistic. This is sometimes challenging because public and private entities do not always understand each other, which can spark negative reactions in society.
- (3) Team Europe Initiatives have also started to acknowledge non-financial contributions that can be provided by smaller EU member states that reflect their comparative advantages, such as twinning actions. Valuing and representing these non-financial contributions as part of Team Europe is key to harnessing the shared competence on development policy between the EU and its member states, and to prevent policy influence becoming lopsided in favour of those member states with considerable bilateral ODA budgets.

(4) All tools need to be clearly and explicitly linked to their purposes, as their usefulness cannot be assessed otherwise. This requires all actors, starting with EU member states, knowing what the tools are for, and ensuring that all are understanding the same thing. It further requires evaluating the success of these tools also in terms of their contribution to the defence of EU interests, and not only in isolated programme indicators.

(5) It is important to keep in mind that partnership tools take time and that their results cannot be evaluated without partners' feedback. The EU is using new tools (e.g. blended finance and guarantees), which might require mistakes and learning. In this context, think tanks and academia have a key role to play in bridging Brussels to capitals and delegations by collecting better quality data for impact on the ground, including with regard to the informal sector which still represents a very high portion of partners' GDP and is not always reached by development projects.

The EU and its tools also need to look at multilateral institutions and how they relate to them. The Global Gateway and Team Europe Initiatives are still finding their way vis-à-vis multilateral institutions, where leadership falls more in the hands of each member state and less in those of the EU delegations, a trend that is very visible also within Multilateral Development Banks. A stronger EU voice should thus be sought at the UN and multilateral level. Although under increased pressure and criticism, Bretton Woods institutions are still relevant for coping with global problems but are increasingly challenged by other regional institutions (such as the Development Bank of Latin America, or CAF), including those proposed by the Chinese and other actors. Therefore, it is key to see how these can be associated in an innovative way, rather than excluded. The EU should thus be a clear advocate for the reform of the multilateral system in order to contribute to the relevance and inclusivity of the existing multilateral institutions.

In a growingly contested world, the offer presented by EU tools and their added value should be made very clear. This includes embedding the global public goods agenda into the EU's development projects, which need to foster decent work, human-centered digitalisation, the humanitarian-development-security nexus, as well as democratic governance and rule of law. These are all core issues for the EU that make it unique at the global level, as well as attractive to partners whose interests align with this approach. At the same time, championing the EU's

core values should not impede cooperation with non-like-minded actors (e.g. autocratic regimes), instead offering an effective and realistic strategy to counter the offers by global competitors.

The EU is a *sui generis* actor made up of very different parts and mentalities, and it is inevitable to be perceived as such; it cannot be compared or in competition with an individual State. This is why an active and clear positioning on the part of the EU vis-à-vis the world is needed, with a long-term view. The EU should learn from its member states' individual experiences and national strengths, and vice versa, as it can be an advantage to understand who does what better and who to approach to effectively deliver on a given issue. ■



The EU has a whole range of instruments – beyond ODA – that can have an impact in tackling poverty and global inequalities. Together with NDICI, the EU has also launched Team Europe and Global Gateway. The EU needs to reconsider these various tools and the allies with whom it will achieve its goals (the African Union, Latin American countries, the G7 and G20).



4. CONCLUSIONS

The polycrises which the EU faces and seeks to navigate have exposed the Union to existential choices. (Re)building alliances is not an easy task and involves further embedding development into the EU's foreign and security policy, making the policy area more political in the process. Against this backdrop, some key conclusions emerged from the seminar.



First, the EU needs to change the way it engages and works with the Global South. This requires, in particular, ways to address underlying tensions by tackling "double standards", patronising attitudes and/or conditionalities. Double standards sometimes are unavoidable especially when the EU is obliged to defend its own interest agendas in dealing with some autocratic regimes. Related to this, the EU must try to be more visible and transparent if it wants to be more impactful in the Global South. The EU and its member states should seek to strengthen their joint engagement and visibility in Africa and other regions of the world, including through further investing in Team Europe Initiatives to successfully implement EU strategies, including Global Gateway.



Second, the EU must acknowledge that the Global South has the right to choose between working with the West and/or G20 members, including Russia and China, and diversify the number of partners. The EU then ought to learn how to manage relations with non-like-minded partners. This requires a paradigm shift as well as negotiating skills that will allow us to sit together, agree to disagree, and eventually strike deals even with competitors who do not share the same values.



Third, to be relevant regionally and globally, the EU should not just copy or replicate what its competitors are doing (e.g. the Chinese Belt and Road Initiative). **Instead of emulating other nations' efforts, the EU should take a lead in reforming multilateral systems to make them more responsive, inclusive and effective.** Such reforms should help avoid the emergence of new clubs, and the associated fragmentation and duplication risks associated with such institutional creation.



Finally, whilst self-criticism is essential to learn from past mistakes and improve, the EU should not self-flagellate. Visibility requires self-confidence and conviction. The Union needs to be clearer on its identity, added value and interests. This also means acknowledging the fact that the West is not a uniform bloc, and particularly that the EU's socio-economic model radically differs from that of the US. Moreover, the EU offers a unique contribution as a normative agent and rule-maker, one which it can most effectively exercise by engaging in responsive and committed international partnerships.



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