

## **Global Challenges: Europe's role**

*Overseas Development Institute event with Foreign Policy Centre & All Party Parliamentary Group on Overseas Development*

*Thursday 1<sup>st</sup> February*

I am delighted to be here today and very much appreciate this invitation from Simon Maxwell. There has never been a more important time to discuss the international challenges that we face today and the role that Europe plays in tackling these. When talking to the public, I have argued that politics has changed with the challenge of globalisation.

I especially welcome the opportunity to talk to such a diverse audience, including parliamentarians and NGO representatives. We in government greatly value the policy contribution of both the Overseas Development Institute (ODI) and Foreign Policy Centre - and look forward to continuing these productive and long-term conversations that we have had so far.

I think it is vitally important to address issues of concern together by harnessing the significant role that the NGO community plays. We welcome good initiatives such as the *European Development Co-operation to 2010* project, which is identifying common ground within the development community in Europe. Also important is the work that ODI is doing with the help of the DFID-funded Civil Society Partnerships Programme in fostering collaboration including on the North/ South boundary.

We were having a conversation before I began – and the message I want to get across is about working together. Sometimes we don't always work together as we should in the European context.

As you heard, it seems a long time since I was first elected as an MEP in 1984, and now as Minister for Europe for a second go, after spending a bit of time as Defence Secretary, much of my career has centred on Europe. I have seen the contribution that the EU can make to global debates as an increasingly important player within the multilateral system.

As you know, I set out some questions to people coming to this. These were rather difficult questions, but I will do my best to address these. When asked which three main global challenges are especially suited to a European Union response, unsurprisingly your answers include some of the most difficult issues that we face today:

Tackling Global Poverty.

Making progress on climate change

Supporting conflict resolution and peace-building initiatives

These are three of the most difficult questions for any government and for any multilateral organization to take action on. People - and not just a sophisticated audience as yourselves - are increasingly aware that we can only seriously deal with the causes of widespread poverty and instability at an international level. These are crosscutting issues, often flowing across borders. We recognise the devastating impacts that poverty, conflict and climate change can have. What has also changed is the extent to which these issues mobilize our citizens. We talked about living in a global environment. People care about what happens in remote places, about appalling events. Television brings images into peoples' homes and governments need to respond.

As the world's largest donor, the EU provides half of all aid, with the European Commission managing around twenty percent of that. We work very closely obviously with Hilary and his expert team at DFID on the global poverty agenda. I know that he will be talking later this month to ODI and the All Party Parliamentary Group on Overseas Development about the 'Challenge of Reducing Poverty'. I am not pretending to be an expert – he is. So I will mention just one area that remains a top priority - keeping the promises of the Gleneagles G8 summit in 2005 on Africa. European leadership helped to

achieve commitments including a doubling of aid by \$50 billion by 2010, with half going to Africa.

Further progress was made at the December 2006 European Council. Four areas were highlighted for priority action in 2007: strengthening the strategic partnership with Africa, supporting Africa's quest for good governance, promoting growth and sustainable development and investing in people. The Council also underlined the importance of intensifying co-operation between the EU and Africa on the links between migration and development. We will continue to pursue implementation of these commitments within the EU throughout 2007. We look forward to the first meeting of the Africa progress panel in Berlin later this year where the EU can bring to the table its framework of support for Africa for the next ten years in the EU-Africa strategy.

### **International Trade: Doha Development Round**

But it's not all just about aid. Trade can have an equal role, an equal impact on reducing poverty than aid alone. That is why the EU is still working hard towards a successful outcome of the Doha Development Round.

The UK government remains fully committed to achieving an ambitious, pro-development outcome that delivers for the poorest countries in particular and ensures that developed countries deliver on their aid for trade commitments.

As you will be aware, talks are yet again at a critical stage. And as Peter Mandelson, the European Commissioner for Trade said only last week; "We are approaching the end of the endgame." I am not sure how many times he has said that but it is good that he can keep on saying that. The EU must continue to show the leadership it has done right from the start to help bring about agreement.

## **EU Regional Trade Agreements with the ACP**

Alongside Doha, the EU is also pressing ahead to achieve successful development-friendly Economic Partnership Agreements between the EU and the Africa, Caribbean and Pacific regional groupings.

2007 in all sorts of ways is a crucial year. The UK government is working towards the most beneficial outcome possible. Ministers are in direct contact with ACP countries and also regularly talk to the NGO community.

Despite what I said, I recognise that not all Member States are as interested in poverty reduction as the UK. So we continue to encourage ACP countries to speak to other Member States, as well to meet EU Ministers at the informal meeting of EU Development Ministers in Bonn on 12-13 March. A civil society meeting is planned alongside this. And we would welcome your help in encouraging public support for these agreements. And in spelling out the opportunities to citizens in ACP countries who may not be as fully informed.

## **Climate Change**

At the World Economic Forum in Davos last Saturday, Tony highlighted three key issues with the potential to impact the future of our planet – I've talked about world trade and Africa already. The third major issue is climate change. This is at the forefront of the debate on sustainable development. We need strong multilateral commitment if we are to address this effectively.

Opinion polls, for example, show consistently strong public support for united EU action on the environment and energy security. More than half, around 55%, of UK citizens polled support joint EU decision-making. The European public rightly expects the EU to deliver on this – and we now have a chance to do so.

Again, this government has been at the front of the pack on tackling climate change and energy security. It is now a top priority for the EU. Following the

publication of the Commission's Strategic Energy Review last month, the right outcome from the Spring European Council in March would set the EU on an accelerated path to becoming the world's first low-carbon economy. And to delivering the affordable energy and secure climate which citizens want. It should include the ambition of making EU power generation carbon-free by 2020, by deploying technology that removes carbon emissions from burning coal. Showing that this is possible is critical for persuading countries like the US, China and India that they can burn the coal that they need for energy supplies, whilst keeping emissions down.

China, for example, is highly vulnerable to the impacts of climate change. On its present course it will overtake the US in about 20 years to become the world's largest emitter of greenhouse gases. The EU-China Climate Change Partnership, agreed at the EU-China summit in September 2005, now has a rolling workplan to strengthen dialogue on climate change issues. And the UK strongly supports the EU-China project to create a Near-Zero Emissions Coal power plant using carbon capture and storage.

We also hope to see progress on agreeing a common EU position on a post-Kyoto framework from 2012 for international climate protection, which can form the basis for wider international agreement at the G8 summit in June.

### **Conflict resolution and security**

There are clear linkages between development, climate change and security. As Defence Secretary I worked to develop the European Defence co-operation agenda. It has been remarkably successful. Since the end of the Cold War, NATO – and now increasingly the EU – has led the way in deployments outside our own countries.

The European Defence and Security Policy has enabled the EU to make a difference in the Balkans, the Middle East, Africa and post-tsunami Indonesia with 16 missions to date, deploying over 11,000 military personnel and around 600 civilians.

In the Democratic Republic of Congo, close to 2,000 troops helped the UN ensure security during the election period. An EU policing mission strengthened the Congolese police force's ability to ensure public order in Kinshasa.

On the Middle East Peace Process, the EU contributes to the international community's efforts. There are currently two EU missions in the region, one supporting the Palestinian Civil Police and the other the Rafah border mission – for which the EU was the only monitoring party acceptable to both Israelis and Palestinians. The election of the Hamas government last year saw unfortunately major blockages in funding. The EU took the lead in delivering direct support to the Palestinian people and last year transferred €200 million through the Temporary International Mechanism. The EU gave a total of €680 million to the Palestinians in 2006, more than in any previous year.

In addition, the EU is the second largest donor in Afghanistan, contributing collectively a third of the aid provided by the international community. Member States provide over 16,000 troops to the International Security Assistance Force and are planning to launch a civilian mission to boost the rule of law.

### **Future challenges**

Thinking through the issues into the future, the challenge for the EU is to ensure that all of its work is mutually reinforcing. So for example, that EU development policy is underpinned coherently by policy in other areas such as trade, energy and security. We must also continue to press for aid effectiveness and increased transparency to ensure that a European Union now with 27 states remains effective and focussed.

But we live in an increasingly inter-connected world. So to make progress on major issues such as environmental protection, international trade, or global poverty, the UK government must find the best way not only to work with

European partners, but also to co-operate with and influence other countries and multilateral institutions.

The contribution the EU makes is often not covered by the press or sufficiently recognised in UK public debate. We need to get people talking about what the EU is doing and to engage them on the issues that they really care about the most. And encourage lobbying in the most effective way - which will sometimes mean directing concerns to other Member States too.

We need to work with the relevant regional and international bodies. We need to collaborate with NGOs. And we must better engage civil society. But the EU is increasingly taking a leadership role on areas where we are making slow progress elsewhere. On trade, on climate change, on conflict issues, the EU is already making a difference for greater prosperity, peace and security well beyond its own borders.