The start of 2016 leads us into a new era in international cooperation, but time is not on our side. The migration and refugee crisis, global and local terrorism, violence and fragility in the European Neighbourhood and beyond – all triggered by or mixed with the very visible impacts of climate change – are stark reminders that action on multiple fronts cannot be postponed.

Four major conferences in 2015 have resulted in a set of ambitious agreements on sustainable development, development finance, climate change and trade, including the Sustainable Development Goals (SDGs), or Global Goals. Now, 2016 confronts us with the task of turning these grand words into deeds. Africa and Europe will need to gear up fast to put their global commitments into practice.

This will be a challenging exercise, as pressures are already building on various fronts, especially climate policy, conflict and security, and poverty and fragility. At the same time, a number of ongoing policy processes are in place that provide opportunities for realising the global ambitions. To exploit the full potential of these vital processes, strong political backing will be required. Climate change is occurring more rapidly and intensely than previously expected. The knock-on effects of climate and other challenges on poverty and fragility put planetary security at risk on a scale unseen before. The refugee and migration crisis illustrates how immediate and intertwined these challenges are. These call for strong political leadership and collective action both in Africa and Europe. As we have argued in the past “international development in this century is about all countries and their citizens tackling the shared problems of sustainable development together” (ETTG, 2014).

At the UN Global Summit in September 2015, world leaders endorsed a new 15-year agenda for sustainable development. These Sustainable Development Goals (SDGs) provide an overarching global framework for development practice and international cooperation between 2016 and 2030. The new agenda brings together the hitherto largely separate processes of human development and poverty reduction (the Millennium Development Goals) and sustainable development (Rio Declaration) under one umbrella of 17 goals and 169 targets.

Some of the SDGs build further on the MDGs, such as Goal 2 on hunger, food security and nutrition. Overall, however, the SDGs are much wider in scope, covering many topics that were not within the main focus of official development assistance (ODA) during the past 15 years. Among the new objectives are Goal 8 on inclusive and sustainable economic growth and employment, Goal 9 on infrastructure, industrialisation and innovation and Goal 16 on peaceful and inclusive societies. The SDGs, therefore, will result in greater complexity and involvement of many more stakeholders and interests. Their broader scope will allow for a more transformative change model that addresses all three pillars of sustainable development: the social, the economic and the environmental. Hence, the SDGs recognise the multidimensionality of development and support a focus not just on symptoms but also on the deeper causes of poverty, inequality and vulnerability and on promoting the enablers of transformative change.

Another innovation is that the goals will apply to all countries. Consequently, and unlike the MDGs, the 2030 Agenda should not be interpreted as a framework for North-South cooperation. Rather, it is a universal agenda that commits all countries around the world to a set of ambitious goals and targets. This also means that the Sustainable Development Goals and Targets will need to be translated into country-specific actions, commitments, responsibilities and accountability systems that respect national priorities and circumstances.

Before the SDGs were officially adopted in September, world leaders had already reached an agreement on development financing beyond 2015. The Third International Conference on Financing for Development (FFD3), held in Addis Ababa in July 2015, is widely recognised as having successfully reshaped thinking about how...
development should be financed. Mobilisation of domestic resources is prominent in the outcome document, the Addis Ababa Action Agenda (AAAA), which is backed by a compact to increase cooperation for raising tax revenues to make more resources available to developing country governments. Also prominent in the AAAA is recognition of the private sector as a partner in development and supplier of resources. This brings development cooperation a step further ‘beyond aid’. The future focus will be less on financial transfers and more on managing global challenges through new forms of collective action, policy coherence for sustainable development (PCSD), global governance and mutual accountability.

Most current commitments on climate change and emission cuts will expire in 2020. Fortunately, a new global agreement to cut greenhouse gas emissions was reached at the 21st Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC) held in Paris in December 2015. For the first time 195 nations, including the largest emitters, have agreed on a universal and (partially) legally binding agreement on climate change, with the ambition to keep global warming below the 2°C. The Agreement also contains a five-year revision mechanism, essential to ratchet up ambition to decarbonise and build climate resilience over time. A clear breakthrough for developing nations is that the issue of “loss and damage” separately from adaptation is acknowledged.

However, despite the major diplomatic achievement the Paris Agreement represents it is far from perfect. It does not contain a mandatory scheme, nor a compliance enforcement mechanism and it leaves out highly polluting sectors, such as international aviation and maritime transport. Moreover, the pledges made so far, including those of the EU, indicate a gap between goals and commitments. Even if the voluntary pledges for emission cuts are delivered on, warming is still expected to be between 2.7°C and 3.7°C. Although the climate finance commitment of USD 100 billion by 2020 is important, the Agreement does not provide a firm commitment to increase climate finance beyond 2020. So despite the real achievement there is no time for complacency. Nations will need to take immediate and drastic action to end fossil fuel use, step up subsidies to renewables, and adapt their regulatory frameworks to ensure that climate finance matches the colossal investment necessary to make the transition to a climate resilient low-carbon economy.

The agreements reached in 2015 represent an opportunity to adapt international cooperation practices to new global and local needs and realities. But the new year, therefore, also confronts us with the task of transforming these grand words into deeds. The remainder of this paper looks at challenges posed by the post-2015 package, in particular, for EU-Africa relations. It also identifies opportunities in 2016 to map the road ahead, towards implementation of the SDG agenda at the global, African and EU levels.

Box 1. The 10th World Trade Organization (WTO) Ministerial Conference

As this brief went to press, the 10th WTO Ministerial Conference had just been concluded in Nairobi, Kenya (15–18 December 2015). Two major challenges faced this, the first WTO conference ever to be held on the African continent. The first was delivery on the Doha Development Agenda. Agreement has proven elusive on Doha’s overall objectives for the African continent: Key issues, such as agricultural subsidies and market access, have remained controversial, and despite efforts to resolve concerns, scant progress has been made. A breakthrough in Nairobi therefore initially seemed unlikely. Yet, there are at least three areas in which Nairobi managed to engineer a deal:

1. Commitments to guarantee export competition in agriculture. This deal is WTO’s most important negotiated outcome on agriculture. It will set the end of export subsidies immediately for most products from developed countries and by 2018 for developing countries.

2. A meaningful package on least-developed country (LDC) and development issues. This includes particularly an agreement on cotton for LDCs, duty-free and quota-free regimes for LDCs from more WTO members, multilateral guidelines on rules of origin and the services waiver for LDCs.

3. A landmark deal on information technology. 53 WTO members will eliminate tariffs on 201 IT products, covering 90 percent of world trade on these products, for an approximate value of US$ 1.3 trillion a year.

While significant in itself, the Ministerial Meeting recognised that these aspects were not sufficient to conclude the Doha Development Round. However, given the difficulty of advancing on all issues simultaneously (the so-called ‘single undertaking principle’), they probably represent realistic progress at this stage.

The second challenge, which is systemic in nature, will be the testing of members’ readiness to settle on a new architecture for negotiations, whereby deals can be sealed on issues on which there is agreement. This proved more difficult but Ministers reaffirmed the central role of WTO in global trade talks. As a way forward, WTO members agreed to ensure that regional trade agreements would be a complement and not a substitute for the multilateral system.

An ECDPM Talking Points blog will revisit the conference’s outcomes in early 2016.

Abbreviations

AAAA Addis Ababa Action Agenda
ACP African, Caribbean and Pacific Group of States
AGA African Governance Architecture
APF African Peace Facility
APRM African Peer Review Mechanism
APSA African Peace and Security Architecture
AU African Union
B2B Business-to-business
CAADP Comprehensive Africa Agriculture Development Plan
CFTA Continental Free Trade Area
COMESA Common Market for Eastern and Southern Africa
CSA Climate-Smart Agriculture
DCI Development Cooperation Instrument
EAC East African Community
EC European Commission
EDF European Development Fund
ENP European Neighbourhood Policy
EP European Parliament
EPA Economic Partnership Agreement
EU European Union
FAQ Food and Agriculture Organisation of the United Nations
FFD3 Third International Conference on Financing for Development Goal Indicators
GSP Generalised System of Preferences (EU)
IAEG-SDGs Inter-Agency Expert Group on Sustainable Development
LDC Least-developed country
MDGs Millennium Development Goals
MFF Multi-Annual Financial Framework
MSME Micro, small and medium enterprises
NEPAD New Partnership for Africa’s Development
ODA Official development assistance
OECD Organisation for Economic Co-operation and Development
PCSD Peacebuilding and Statebuilding Goals (New Deal)
PSG policy coherence for sustainable development
REC regional economic community
SADC Southern African Development Community
SDG Sustainable Development Goals
SHaSA Strategy for the Harmonisation of Statistics in Africa (AU)
TFA Trade Facilitation Agenda
TFTA Tripartite Free Trade Area
UN United Nations
WTO World Trade Organisation

www.ecdpm.org/dossiers/challenges
The 2030 Agenda: What are the challenges?

**Domestic resource mobilisation and economic transformation in Africa**

Some differences in interests emerged between the EU and African countries during FFD3: While the former emphasised blending finance, data gathering, transparency and the role of emerging donors, the latter prioritised reforms of the global tax system, aid, debt relief and technology transfer. However, one major area of agreement – and one of the successes of the Addis Ababa conference – was on the need for increased cooperation on domestic resource mobilisation. Domestic resources have been by far the largest source of financing for development over the past decade (ODI et al., 2015). African countries have welcomed the stronger accent on domestic revenues. A steady tax base provides them more policy space and a foundation for maintaining social protection programmes like public health insurance schemes (ODI et al., 2015). Nevertheless, Africa will face serious challenges in this respect, especially as economic growth is projected to slow in a number of countries on the continent in 2016. How this will be felt will be determined by a combination of domestic and external factors. Domestically, the pace of structural transformation, advances in sustainable economic diversification and progress in relieving energy and infrastructure bottlenecks will be key. External factors include the pace of growth in emerging markets (China in particular), Europe’s ability to recover from its financial crisis and whether the current cycle of high commodity prices continues or comes to an end. (Oil prices have fallen more than 57% since June 2014.)

An additional major obstacle to domestic resource mobilisation in developing countries is the continued inefficiencies of the global financial system, which facilitate illicit monetary flows, tax evasion and mispricing. African countries lose nearly US $60 billion a year predominantly due to tax evasion by commercial firms and the undervaluing of services and traded goods. During FFD3, the Addis Tax Initiative was launched, committing donor and recipient countries to double technical cooperation on tax reform and domestic revenue mobilisation by 2020. The goal is to create efficient and effective tax systems at the national level. However, the initiative neither addresses the imbalances in the global tax architecture that enable tax evasion by multinationals, nor does it provide developing countries more say in how global tax matters are decided.

Beyond improving tax administration, countries will need to focus on growth. Declining mineral prices and sluggish economic prospects in Europe and China are likely to slow down African economic growth and industrialisation. Already, a collapse in the prices of certain minerals has prompted large extractive companies to put greenfield projects on hold. This should stimulate governments, especially those in the mineral-rich and oil-dependent states, to press on with economic diversification and industrialisation, in line with SDG 9. Moreover, we will likely see a shift to labour-intensive and manufacturing-centred growth trajectories, away from the commodity-driven expansion of the recent past.

Creating employment, particularly for young people, is an important industrial development objective (in accordance with SDG 8 § 5). A major challenge here will be to step up reform and flexibility of labour markets, for example by facilitating movement of workers across borders and addressing skills gaps and mismatches. These objectives are incorporated in SDG 8, on decent jobs and economic growth, but they nonetheless still face considerable obstacles of a political economic nature.

**Involving the private sector as a development actor**

The private sector’s role in development has long been acknowledged, and its importance in supporting inclusive and sustainable economic growth is now enshrined in both the 2030 Agenda for Sustainable Development and the AAAA. This renewed prominence of private actors in development processes reflects a noteworthy evolution: Whereas the MDGs isolated trade in one goal (MDG 8), the 2030 Agenda mainstreams trade provisions across all of the SDGs. SDG 8 on employment and SDG 9 on industrialisation particularly affirm the need to involve private companies in order to realise sustainable development, whether in manufacturing, extractives or agriculture.

Business operators, both domestic and foreign, continue to face numerous challenges in establishing activities in developing countries, especially in Africa. Despite African policies to promote value chains and attract investments, trade and linkages, European countries have increasingly worked with their own private sectors, essentially operating at the other end of the value chain. It will be crucial in 2016 to better connect EU business activities with business operations in Africa. The challenge will be to activate these linkages for creation of more and better employment and increased inclusive growth, in line with SDG 8. This will require more coordination between EU and African policymakers.

For such dynamics to contribute effectively to development, numerous challenges and questions must be addressed. Enabling local businesses in Africa to access funding and capital is crucial, yet this has been a major bottleneck in the past. A conducive business environment is key, not only to free African businesses to pursue their commercial potential, but also so that Africa can attract foreign investors to inject capital into local, regional and national markets. Falling commodity prices will likely exacerbate financing and capital constraints in 2016, as African businesses are expected to earn less revenue and therefore suffer a degree of financial hardship. Whether this can be significantly influenced in 2016 will depend largely on existing policies and the political will to do things differently.

**Integrating the New Deal and the SDGs**

The SDGs’ universality conveys a strong need to explore and exploit synergies and interlinkages between global thematic agendas and to ensure that these are connected to the SDGs. Global agendas must, moreover, consider nationally defined targets and contextual factors. This is especially relevant for fragile states, which are home to 43% of the world’s extreme poor (OECD, 2015). To address their specific challenges in terms of poverty reduction, a key question for 2016 will be how to integrate the existing framework for dealing with fragility, the New Deal for Engagement in Fragile States, and its five Peacebuilding and Statebuilding Goals (PSGs), into the 2030 Agenda. It is encouraging that four of the five PSGs are reflected in the SDGs. Goal 16 addresses peace, justice and strong institutions, while economic foundations are dealt with in Goals 7 through 9. Domestic revenue, the fifth PSG, is prominent in the AAAA (Manuel, 2015). Indeed, as Safeworl (2015) points out, there is ample opportunity...
for integrating these frameworks by aligning the individual country compact PSG priorities with the country-level SDG targets and indicators. Yet, how the New Deal will evolve in 2016 remains unclear. The pilot phase ended in November 2015, and an independent review was carried out. There is now scope to address some of the lessons learnt, including the suggestion for a more prominent role of civil society, widened ownership of the PSGs across government, a rebalancing of the focus of international engagement onto people and building peaceful societies and more opportunities for learning about how accountable, inclusive and responsive institutions are built (Saferworld, 2015). Fragile states face extraordinary difficulties in accessing alternative sources of finance, such as foreign direct investment, due to their weaker rule of law and associated creditworthiness. They also experience constraints in domestic resource mobilisation, because of their limited capacities and reliance on a narrow set of revenue streams, such as trade customs. These capacities need to be strengthened so that the spectrum of financing can be widened beyond aid.

A ministerial meeting of the g7+ (a voluntary coalition of fragile states) is scheduled for late March 2016 to share lessons from the peacebuilding and statebuilding efforts under the New Deal. The event will also provide a forum for reflection on the implementation of the SDGs, especially Goal 16. The chosen moment is no coincidence, as in that same month, the Inter-Agency Expert Group on Sustainable Development Goal Indicators (IAEG-SDGs) is expected to come up with its proposal for a global indicator framework, which the UN Statistical Commission will consider. From the perspective of fragility, the indicator debate is a real opportunity to build on the work done in the New Deal.

The discussion on indicators is closely linked to the ‘data revolution’ debate. Many of the targets still lack viable indicators and many countries, especially the most fragile ones, lack the capacity to provide comprehensive statistics for a proper monitoring of progress on the SDGs. Here, improved technological capacities are needed among national statistical organisations and systems, also taking into account political economy factors, such as formal and informal institutional setups and actor incentives to produce sound official statistics (Krátké & Byers, 2014). Data collection and management systems, especially population registers and vital statistics systems, feed into statebuilding processes and state power. Production of official data can therefore contribute to better and more equitable policies, and be a means towards social integration, conflict resolution and a strengthening of the social contract between citizens and state institutions. The ‘data revolution’ will therefore be an important contributor, not only to the monitoring of the SDGs, but also to their realisation, especially in fragile states.

Meanwhile, the very concept of fragility continues to be debated. Recent attempts by the Organisation for Economic Co-operation and Development (OECD, 2015) to broaden the notion of fragility have produced new dimensions and metrics for fragile states and situations. While these could be useful in reconciling the New Deal with the SDGs, care is needed to ensure that the progress made through the highly participatory process between donors and fragile states that is the New Deal is not simply cast aside.

A central principle of the New Deal is the need for context-specific, country-owned and country-led responses in fragile states, avoiding ‘one-size-fits-all’ approaches. This requires appropriate tools for understanding contextual factors, conflict dynamics and political economy dimensions, to respond to the specific challenges of fragile and conflict-affected states while working towards the SDGs. Saferworld (2015) has argued for a global partnership to help realise the synergies between the New Deal and SDG agendas. Establishing this global platform, building on the wealth of expertise that went into the formulation of the PSGs, will be key in 2016. This will need to be complemented by recognition of the international and regional drivers of instability (e.g., illicit financial flows and migration) and establishment of stronger linkages with climate change-related drivers of fragility.

### Food security, agriculture and climate change

Food security, nutrition and sustainable agriculture continue to be major concerns in the new development framework, as reflected in SDG 2. Agriculture is the backbone of African economies, accounting for as much as 40% of total export earnings and employing 60% to 90% of sub-Saharan Africa’s total labour force. More than 50% of households’ food supply and an equivalent share of income emanate from agriculture. Agriculture therefore will continue to be a priority for Africa, alongside efforts towards industrialisation.

The Comprehensive Africa Agriculture Development Plan (CAADP), Africa’s agricultural transformation policy framework, aims to achieve and sustain higher economic growth through agriculture-led development. Better strategic planning and increased investment in the sector are its main instruments for reducing hunger and poverty, expanding food and nutrition security and ensuring growth in exports. Building on the CAADP, the Malabo Declaration on Accelerated Agricultural Growth and Transformation for Shared Prosperity and Improved Livelihoods, adopted in 2014, also aims to boost investment in agriculture, to end hunger by 2025. These initiatives have not remained without success, as nearly 20 African countries achieved MDG 1, halving their prevalence of hunger by 2015. Still, the proportion of undernourished people in sub-Saharan Africa remains at around 23%. Insufficient investment in agriculture and social protection continue to be bottlenecks to increasing food availability.

**Box 2. The World Humanitarian Summit**

The first-ever World Humanitarian Summit will take place in May 2016 in Istanbul (Turkey), providing a key opportunity to engineer greater connectivity between humanitarian aid and initiatives related to conflict, climate change, sustainability, resilience and peace. The summit will seek global support for adapting humanitarian aid to a context that is increasingly punctuated by disaster and conflict. As the UN Secretary-General Ban Ki-Moon remarked at an April 2015 briefing, “Urbanization, population growth, environmental degradation, conflict, climate change and resource scarcity are adding to the consequences of underdevelopment, poverty and inequality, leaving people more and more vulnerable.” The link between climate change and conflict was also explored in a recent report commissioned by the German G7 presidency, A New Climate for Peace.

The summit is an opportunity to build on the Framework for Action on Disaster Risk Reduction 2015–2030 agreed at the Third UN World Conference on Disaster Risk Reduction in 2015 in Sendai, Japan, while also linking up with the global commitments on climate change made in Paris in December 2015. Furthermore, the summit will offer a chance to address what the 2015 Sendai conference failed to recognise: that climate change is a multiplier for conflict and fragility. It should also underline the essential role of food security and climate-smart agriculture in building resilience.

A related question to be addressed at the summit is how humanitarian assistance could guide a smooth transition to longer-term development. Despite much debate on how best to link relief, rehabilitation and development (in EU circles often referred to as ‘LRRD’, little tangible progress has been achieved. Yet, with emergencies becoming more widespread and complex, designing interventions that foster transitions to development are much needed. Today, 90% of UN-coordinated humanitarian appeals extend for three years or more (De Vos, 2015). Stronger bridges are needed between the different funding provisions and operational modalities governing humanitarian assistance and development aid. There are some promising advancements, such as the increasing use of hybrid pools (e.g., the EU’s ERIKA Trust Fund for the Central African Republic), more predictable aid and increased emphasis on resilience and sustainability in humanitarian work. At the same time, financing for development and for humanitarian aid are still largely separate processes. (Indeed, the former was discussed in Addis Ababa in 2015, while the latter will be raised at the Istanbul summit). These are silos that need to be broken through (De Vos, 2015).
Evidence from the Intergovernmental Panel on Climate Change (IPCC, 2014) suggests that agricultural production and food security in Africa are being compromised by the effects of climate change, and these effects are expected to become fiercer. Indeed, recurrent food security crises in the Horn of Africa and Sahel provide stark evidence of the need to build the regions’ resilience and ability cope with recurrent droughts. Many gaps remain between processes at the continental, regional and national levels (Knaepen et al., 2015). Agriculture has suffered many years of neglect, on the fringes of the UN climate change negotiations. Efforts to get it in via various negotiation streams and programmes, such as the Clean Development Mechanism, have encountered stiff barriers. The Paris Agreement on climate change recognises the vulnerability of food production systems to the adverse impacts of climate change. This will probably boost agricultural research and investments in developing countries.

The bulk of Africa’s agricultural systems are climate-dependent. Rainfed agriculture accounts for more than 95% of farmed land in sub-Saharan Africa. The only way forward is thus for African agriculture to become climate-smart. The African Union (AU), alongside Africa’s regional economic communities (RECs) and individual governments, have recognised this and worked to mainstream climate-smart agriculture (CSA) in their policies. The Malabo Declaration targets CSA adoption by 25 million farming households by 2025 (NEPAD, 2014). In light of this aim, the New Partnership for Africa’s Development (NEPAD) launched the Africa CSA Alliance in 2014, involving governments, civil society, farmer organisations and private sector representatives. The RECs have actively promoted CSA as well (e.g., via COMESA’s Regional CAADP Compact). At the national level, investment plans have increasingly taken up CSA objectives, to be achieved through public-private partnerships and sustainable use and management of agricultural resources, among others (e.g., Uganda’s 2013 national agriculture policy). These are promising initiatives, but the need will remain to address climate and agriculture in a more concerted way from the local to regional and global levels.

The SDGs as an integrated approach

Despite the huge international effort made to bring the MDGs and the Rio processes together in the overarching framework of the SDGs, the danger still exists that different actors will continue to concentrate on the goals they see as most relevant and not work in a more integrated fashion that takes all goals into account. Thus, some may view the SDGs as an international development agenda that is largely the continuation of the MDGs. Equally, environmental actors used to working on the Rio process in their own country may fail to see the international development aspects of the Agenda. At its worst this could perpetuate the silo thinking of the last decades. A business as usual approach therefore needs to be avoided.

Essential for realising this integrated approach is the notion of Policy Coherence for Sustainable Development (PCSD), which is reflected in Target 17.14 as a means of implementation. While the older concept of Policy Coherence for Development (PCD) reflected a narrower and more targeted approach that was primarily focused on poverty reduction, PCSD broadens this definition to also include environmental and climate concerns. PCSD therefore also requires governments to take into account the effects of its domestic policymaking for poverty reduction and the environment both at home and abroad so that policies are mutually support to achieve the SDGs.

The concept of PCSD is a good step forward in thinking about how to put the integrated nature of the SDGs into practice. Yet, implementing PCSD will be complicated, as it suggests that actors need to consider for all actions on one goal, the impact on the other 16 goals. Monitoring the impact of other policies on any one goal, as the PCD concept did for international development goals, will also remain vital. So PCSD cannot simply replace PCD but rather a way must be found to use the two concepts together. More work is therefore required to further refine the PCSD concept, see how it can really be put it into practice and how it can best be monitored. An important opportunity to do so is the on-going reflection on the global indicator framework that will be presented by the Inter-Agency Expert Group on Sustainable Development Goal Indicators (IAEG-SDGs) to the UN Statistical Commission in March 2016. Good indicators that are relevant to properly measure progress on each goal and target, while not overburdening national capacities with too many indicators, will be essential for the success of the SDGs, not in the least for Target 17.14 on PCSD. Later in the year, from 11-20 July 2016, the monitoring discussion is also expected to be taken up by the High-Level Political Forum on Sustainable Development.
Africa’s road to 2030

The African continent stands at a decisive moment. It seems increasingly unlikely that the current AU Commission Chairperson, Nkosazana Dlamini Zuma, will stand for a second term. The new leadership will have the opportunity for Africa to build on the global momentum and realign its course to the global road towards 2030. Strong leadership will be called for to implement Africa’s commitment to the SDGs, while addressing the challenges facing the continent in terms of economic development and industrialisation, food security and climate change, and human security and governance. The incoming AU Commission will have a number of major dossiers to deal with in the course of 2016.

2030: a stepping stone towards 2063

Africa’s approach to implementing the 2030 Agenda, will be conditioned by the AU’s own Agenda 2063, which formed the basis for Africa’s common position on the sustainable development agenda. African heads of state endorsed Agenda 2063 at their January 2015 AU Summit. The 50-year vision is the product of extensive country and regional consultations, and expresses seven broad aspirations: (i) inclusive growth and sustainable development; (ii) integration and unity; (iii) good governance, democracy, human rights, justice and the rule of law; (iv) peace and security; (v) culture and shared values; (vi) people-driven development; and (vii) Africa as a global player and partner. A number of strategic initiatives for fast-tracking implementation of these goals are under way, including a first 10-year action plan, which was reviewed at an AU Commission Summit in June 2015. The AU Commission is currently working to finalise guidelines for Agenda 2063’s national-level implementation. This inevitably also raises questions on financing. There is recognition within Africa that the continent needs to tap into its own wealth to finance Agenda 2063. Significant resources could be raised in Africa, but this would require refocusing the discussion from a demand-driven to a supply-driven debate around questions of incentives, political buy-in and ownership for countries to make potential sources accessible (El Fassi & Aggad, 2014).

Agenda 2063 thus represents an opportunity for integrating the SDGs into Africa’s own frameworks. Various sector-specific policy programmes support Agenda 2063. Among them are the Programme for Infrastructure Development in Africa (PIDA), CAADP and Africa’s Industrialisation Strategy. Progress could be made towards some of the SDG targets by aligning them to these ongoing programmes. Other AU initiatives such as the African Governance Architecture (AGA) and the African Peace and Security Architecture (APSA) offer further opportunities for integrating the SDGs into existing African programmes, in particular, targets under Goal 16, on peace, justice and strong institutions. A challenge in implementing the 2030 Agenda in Africa will be to align SDG targets to national development plans. Well-structured country-level policies and financing plans would open the door to more effective SDG implementation, better monitoring and greater accountability. National plans can offer a conduit for public accountability and constructive partnerships, while providing transparent benchmarks of who is expected to do what, in what timeframe and with what results.

European and other donors can support adoption of the SDGs at the country level in Africa by focusing on building the capacities of government institutions to implement their own national plans, instead of funding a multitude of side projects on specific SDG issues. Backing national plans could also prevent the depletions of political will that hindered progress on the MDGs in some countries.

The mid-term review of the EU Multiannual Financial Framework (MFF) for 2014–2020 as well as the 2016 mid-term reviews of the European Development Fund (EDF) and Development Cooperation Instrument (DCI) will provide opportunities for the EU to express its support to the SDGs in its cooperation with African countries.

Monitoring the SDGs in Africa

National monitoring, based on nationally-defined sets of indicators, is the most important level of SDG monitoring. This again underlines the need for the ‘data revolution’ mentioned earlier. No government, even in developed countries, is currently able to monitor all 169 SDG targets. The monitoring challenge will therefore be acute for African countries, particularly those with limited means. The EU and other donors might therefore offer African countries assistance in improving their statistical capabilities. Building on the MDG monitoring system, the tasks of providing monitoring and capacity support for the SDGs have been delegated to the African Development Bank, the UN Economic Commission for Africa, and United Nations Development Programme (UNDP) jointly with the NEPAD Planning and Coordination Agency (NPCA) who will continue to do monitoring and prepare annual progress reports. Regional monitoring can play an important supplementary role in fostering knowledge-sharing, reciprocal learning and peer review across Africa. The African Peer Review Mechanism (APRM), for instance, could be instrumental in monitoring the SDG targets on peace and security, provided that it is adequately reformed. An extraordinary summit of the leaders of the countries participating in the APRM was to take place in Nairobi in November 2015 to seek solutions to the APRM’s waning funding, leadership and government support. However, that meeting was cancelled, raising concerns about the programme’s future. The APRM as yet remains a valuable tool for monitoring and documenting progress on governance and peace and security on the continent. Moreover, the momentum of the SDGs could provide openings for revitalising the APRM. For this, a permanent CEO and effective senior leadership will be needed, alongside better articulation of its value to state governments, a simplified review process and stronger communication about its work to African citizens.

Aside from the APRM, more attention should be given to the AU Strategy for the Harmonisation of Statistics in Africa (SHA$A). SHA$A is working with a few African statistics offices to improve their measurements of governance and peace and security indicators. It is a promising programme that could benefit from greater capacity support and funding.

EU-Africa relations on governance and human rights

The Fourth Africa-EU Summit in 2014 adopted the 2014–2017 Joint Africa-EU Strategy (JAES) Roadmap, which set governance as a key priority. The summit declaration acknowledged that while Africa had achieved significant progress on democracy, governance and human rights, those advances remained to be consolidated (Declaration, 2014: §4). Even though both sides agreed on the need to build on the experience gained in implementing the former Africa-EU Partnership on Democracy and Human Rights, progress has not moved forward as planned. A joint annual forum specifically on governance, due to be held in January 2015, was postponed several times and still has not taken place, creating concerns about the level of commitment. On the African side, some planning has occurred in the form of technical meetings to address governance challenges at the
continental and national levels. A consultation in September 2015 in Arusha, Tanzania, involving the AU Committee of Permanent Representatives and the African Governance Platform emphasised the need to explore practical ways to build functional linkages between AU member states and Platform members. The ultimate aim would be to promote and sustain democratic and participatory governance, constitutionalism and rule of law, and respect for human and peoples’ rights in Africa. The consultation also sought to accelerate implementation of the African Shared Values Agenda, particularly the African Charter on Democracy, Elections and Governance, towards attainment of Agenda 2063.

On human rights, it remains to be seen how the EU and Africa will mark the AU-declared ‘African Year of Human Rights’ in 2016. In April 2015, the European Commission adopted a Communication outlining its proposed new action plan on human rights and democracy for the 2015–2019 period. In the context of the EU’s rights-based approach, both sides seem to agree on the need for more cooperation towards greater access to justice, local accountability mechanisms and strengthened regional mechanisms such as the African Court. At the 2014 Africa-EU Summit both sides, furthermore, committed themselves to pursue development objectives in a more balanced and integrated way, based on peace and security and democratic, responsible and accountable institutions (Declaration, 2014: $47). Now it is time for concrete actions, in parallel with cooperation on the SDGs. Forms of dialogue are needed that extend beyond national authorities, to include regional groupings and empower local actors and civil society organisations.

Awareness continues to grow of the importance of human rights and democracy. Attitudes are increasingly shifting away from non-interference and an emphasis on state sovereignty as underlined in the Constitutional Act of the AU. The EU should be prepared to back the AU politically on this, and encourage African countries to ratify protocols on governance and human rights. To be credible, however, the EU must also be consistent and coherent in its own external action, respecting the standards it ‘preaches’.

**Trade, industrialisation and value chains**

The 14th session of the United Nations Conference on Trade and Development (UNCTAD), scheduled for March 2016, will bring together heads of state and government, ministers and other prominent players from the business world, civil society and academia to tackle global trade and economic development issues. Particular attention will be on implementation and subsequent actions needed to achieve the SDGs. This will be an excellent opportunity to further the discussion on SDG 8 and 9, in the context of the expected economic slowdown in Africa, falling commodity prices, high unemployment and the drive for economic diversification.

Africa’s trading system is facing a crucial transition. Despite the expected economic slowdown, industrialisation will continue to be at the core of Africa’s economic transformation agenda in 2016. SDG 9, on industry, innovation and infrastructure, asserts the critical importance of inclusive and sustainable industrialisation. Economic transformation also figured prominently in the African common position on the sustainable development agenda, and is a keystone of Agenda 2063, which embeds this commitment in its first 10-year implementation plan. A number of African countries and RECs have already formulated domestic reform strategies for translating the rapid growth of the past few years into sustainable and equitable development outcomes. These include development of sustainable supply chains and investments in upgrading value chains, to enable Africa to capture more value from its primary products. These strategies will now need to be put into wider practice. Economic transformation will be conditional on the capacity of African economies to scale up their participation in global climate change programmes such as Monitoring of Environment and Security in Africa (MESA), was previously identified as an objective in the 2011–2013 APSA Roadmap, yet progress has remained limited so far. Also, the PSC Protocol still makes no explicit mention of climate change as a driver of conflict. Concerns have also been raised about strengthening AGA-APSA linkages, providing more strategic support to conflict prevention and transition processes, in line with the AU’s Post-Conflict Reconstruction and Development (PCRD) policy, and greater mainstreaming of climate change in conflict and security responses. The expected recommendations of the 2015 APSA assessment will offer a new starting point for delivering on these objectives in 2016.

There are opportunities for the EU, too, to recalibrate its priorities and integrate the SDGs into existing programmes and policies for supporting peace and security in Africa. In 2016, the EU will formulate a 2017–2020 action plan for the African Peace Facility (APF), which has provided crucial resources for operationalisation of the APSA. The Dutch EU presidency has expressed the desire for a strategic exchange with a wide range of stakeholders in Brussels about the future APF action programme. This should lead to recommendations for the European Commission on the action programme’s formulation.

The EU will thus have an opportunity to address questions raised by several of its member states about the overly heavy focus of APF funding for peace support operations, in particular for the AU mission in Somalia (AMISOM) – while African partners have largely resisted shoul dering a greater share of the costs of these operations. Some EU member states have suggested that more should be invested in early warning and conflict prevention.

There will be other opportunities in 2016 for the EU and Africa to strengthen their partnership on peace and security. Follow-up is expected to the first-ever joint retreat of the AU PSC and EU Political and Security Committee. This encounter, in mid-October 2015, represented a welcome development, as it allowed both partners to address strategic issues, such as implementation of the APSA, at a deeper level. The annual consultative meetings have been regarded as rather constrained, and losing their strategic focus in favour of short-term issues on which Africa and Europe largely agree (ISS, 2015).
The importance of private sector involvement and the blending of public and private money for agricultural projects in Africa cannot be overstated (see Global Harvest, 2011). Various guidelines address the risk of old ills, like tied aid and unfair competition, while offering suggestions for promoting climate-sensitive investments. For instance, the so-called 'RAI principles' (Principles for Responsible Investment in Agriculture and Food Systems), approved in 2014 by the Committee on World Food Security (CFS), link responsible investment in agriculture with measures for reducing or eliminating greenhouse gas emissions. However, these guidelines are still voluntary for companies. The OECD’s guidelines for multinational enterprises, which focus primarily on human rights issues, are another example. Yet, these too remain voluntary, though governments are obliged to promote the principles among their national private firms. Hence, companies’ commitment to such guidelines varies and is seldom transparent and measurable.

The EU is adding new instruments to its public-private cooperation toolbox. The Commission is designing an Agriculture Financing initiative to mitigate risk (e.g., by providing risk capital, guarantees and other risk-sharing mechanisms, see Rüdkof, 2015), to be launched next year. This is expected to encourage participation and attract private finance, particularly to MSMEs. In line with its 2014 Communication, A Stronger Role of the Private Sector in Achieving Inclusive and Sustainable Growth in Developing Countries, the EU envisions new policies and public investments to foster private-sector investment in food systems development.

On the African continent, the Africa Solidarity Trust Fund managed by FAO is an example of an innovative financing mechanism, embodying both the principle of universality and the push for domestic resource mobilisation. Officially established in 2013, the fund provides a vehicle for higher-income African countries to assist other national governments and regional organisations in their efforts to eradicate hunger and malnutrition, eliminate rural poverty and sustainably manage natural resources. This is not only a sign of solidarity, but also indicative of the recognition that in today’s world, no one country can go it alone and expect to achieve food security.

Since the food price spike of 2007–2008, international investors and large companies have displayed renewed interest in investing in agriculture and food systems. Multinationals are also increasingly adopting environmental and climate change sustainability targets. There are several examples of large businesses combining these aims and contributing effectively to the greening of agriculture. Cargill, for instance, launched its ‘Cocoa Promise’, a commitment to support sustainable cocoa production and help farming communities reliant on cocoa for their livelihoods. Enhancement of biodiversity, conservation of local environments and regeneration of farmlands using innovative technology are several of the programme’s spearheads (Knoepfle et al., 2015). The challenge ahead will be monitoring these efforts and other such initiatives by multinationals corporations have the expected positive impact on agricultural sustainability in the medium and long term, beyond communication objectives related to ‘corporate social responsibility’ and short-term income generation for the farmers involved.
The 2030 Agenda will require a fundamental update of the ‘software’ of the international cooperation system, which will have strong implications for EU external action. With the SDGs, the AAD and the Paris Agreement on climate change now in place, there is a strong argument for revising existing policy documents to better reflect the new global frameworks. Ongoing discussions on the new EU Global Strategy for foreign and security policy, as well as on a review of the European Neighbourhood Policy (ENP) provide opportunities to reorient policies to the new global commitments, as does the implementation of the new EU Trade strategy. Moreover, the two guiding documents for EU development policy, the European Consensus on Development (2005) and the Agenda for Change (2011), were drafted under intrinsically different circumstances, and need to be revised.

The Dutch Government have indicated that getting the 2030 Agenda off to a good start will be a priority during their presidency of the EU Council in the first half of 2016. Council Conclusions are envisaged on the implementation of the SDGs in the EU and globally. A consensus seems to be emerging on the need for more realistic EU aid objectives, in line with Europe’s diminished financial resource availability and more modest political leverage on the world stage. More fundamentally, the EU needs to consider how its external action can best leverage the Union’s weight to advance and achieve sustainable development, including in fragile and conflict-affected countries. With declining ODA levels, the ‘doing more with less’ mantra needs to be re-examined at a strategic level, beyond the mere aim of reducing costs (Rierro, et al., 2015), and more carefully focused on using ODA as a catalyst for increasing other financing resources such as domestic revenue. Furthermore, the EU needs to continue to look beyond aid to also address issues of policy coherence. Several on-going or upcoming policy review processes provide opportunities to reflect on the impact of policy choices on sustainable development. Ambitions will need to be revised following a careful assessment of the position of international cooperation in the EU’s broader (and more political and interest-driven) external action. Finally, aid effectiveness will continue to be of great importance. Although the 2015 conferences did not discuss the future of aid effectiveness per se, the issue remains vital and it is important that the Global Partnership for Effective Development Cooperation is not side-tracked, but rather fully integrated into the SDG process.

From a security strategy to a global strategy: An opportunity to reframe EU external action
At the June 2015 European Council meeting, European heads of state and government mandated HR/VP Mogherini to prepare a global strategy on foreign and security policy, in consultation with EU Member States and involving civil society, to replace the current European Security Strategy, which dates back to 2003.

In a strategic assessment last June, the HR/VP commented on the radical evolution of the EU’s environment in the past decade. Externally, Europe faces increased instability in its neighbourhood. On the fringes of Europe’s Southern Neighbourhood, many areas in Africa are experiencing instability, especially the Sahel, Central Africa and the Horn of Africa. To the East, Turkey has become a primary route for refugees fleeing the wars in Syria and Iraq, while tensions and violence continue in Ukraine. In addition, recent events in Paris, Beirut and Bamako have underlined the serious threat that terrorism continues to form both within and outside of Europe. At the same time, the world is facing mounting other global threats, such as climate change and resource scarcity. These are reasons why the HR/VP has favoured a comprehensive ‘global’ strategy that extends beyond the traditional security domain to cover all aspects of EU external action.

While the HR/VP has been given the mandate to prepare a broad strategy, she nonetheless faces various challenges in the task. Today the EU has 13 more member states than it did in 2003. Building consensus will be substantially more cumbersome now with 28 countries at the table, each bringing its own strategic interests and cultures. For instance, some of the new member states are concerned about Russia’s increased assertiveness; they favour a strategy that concentrates on direct geostategic threats in the Eastern Neighbourhood, whereas other countries favour a broader approach. Moreover, political interest in the EU’s Common Security and Defence Policy (CSDP) has waned, as previous initiatives for common missions or operations have often failed to deliver or even materialise. Discussions on the scope of the new strategy, and how it could be linked to more European cooperation on defence capability development, are therefore likely to continue.

The global strategy debate cannot be considered in isolation of the 2030 Agenda. Given its global aspirations, the strategy arguably should mirror the ambitions of the SDGs. The HR/VP has opened a door to allow such synergies, but how they might take shape remains to be seen. A consultation process launched by the HR/VP will include a series of conferences and seminars over the next six months at which recommendations can be fed into the process. In February and March 2016, such seminars will be held on Africa and on development issues, respectively. These will provide opportunities to make the case for linking up the strategic discussions with global commitments in the 2030 Agenda. The HR/VP is expected to present a draft strategy to the European Council in June 2016.

Developing a global strategy for Europe will require a truly integrated approach, linking the internal with all aspects of external action (Ribera et al., 2015). For example, the root causes of illegal migration and refugee flows cannot be tackled solely by security measures such as border controls and marine operations. Without the right mix of EU tools and partnerships, Europe will continue to merely ‘fire-fight’ on the world stage. European Commission President Juncker’s creation of the External Relations Commissioners Group chaired by the HR/VP and bringing together the Commissioners with portfolios related to external action, such as development, trade, or the European Neighbourhood Policy, was a promising step towards more coherent action. The 2016 budget also shows an increased commitment to comprehensiveness: it contains an increase of 35.8% in payments and of 5.2% in commitments under Heading 4 “Global Europe”, and 56.8% in payments and 60.7% in commitments under Heading 3 “Security &
Citizenship”. This reflects a strong prioritisation of EU external action to deal with the external dimensions of the refugee crisis, as well as of internal security and capacity reinforcement measures (EC, 2015a). The debate on the global strategy provides a unique opportunity to further institutionalise an approach focused on preventive action and addressed at the root causes of insecurity in a comprehensive and strategic manner.

Following the agreement on climate change reached in Paris in December 2015, we can expect the EU Council to push for more attention to climate change. The recently published report, *A New Climate for Peace*, commissioned by the German G7 presidency, is illustrative of the growing political impetus for bringing the security dimension into the climate debate. The Netherlands’ Minister of Foreign Affairs, Bert Koenders (2015), similarly expressed his country’s intention to use its EU presidency in 2016 to ensure that climate change is incorporated into the forthcoming discussions on a new EU global strategy for foreign and security policy.

**Fine tuning ODA**

The shift from the MDGs to the SDGs is taking place at a time of considerable challenges for EU development financing. Pressure on development cooperation budgets will continue, as public resources remain scarce and European taxpayers prioritise domestic issues over sending public money abroad (although the United Kingdom has demonstrated that increasing ODA in austere times is also a question of political leadership). In this light, the EU will need to redefine the added value of its ODA in the broader sustainable development landscape. EU Council Conclusions on a transformative post-2015 agenda, adopted in December 2014, suggest that ODA should target primarily the least developed countries (LDCs), noting, “ODA is an important catalytic element in the overall financing available for developing countries, in particular to those most in need” (EU Council, 2014a: para. 31).

Delivering high-quality and high-impact aid post-2015 will require the EU to re-equip itself. Its stated aim is to use ODA as an enabler to boost other means of implementation, such as using improved tax and fiscal policies, blending and public-private partnerships to ‘unlock’ infrastructure projects. Innovative ways need to be found to do this systematically. One solution might be emulation of European initiatives such as Electrifii and Agrifii, which aim to raise funds, respectively, for rural electrification and agriculture. Another is establishment of risk-mitigation mechanisms, such as those mentioned earlier for fostering private investment in food systems development. Other ideas for high-impact aid would include putting even more emphasis on analysing how EU aid fits in with partner country strategies for securing their own sustainable development finance. The EU could also fine-tune its differentiation and aid allocation criteria, taking into account the current global geography of poverty and subnational inequalities, including those in emerging economies. The EU already mainstreams climate throughout all its policies and budget, and has committed to allocating 20% of its budget (including ODA) to climate-related activities (Herrero, A. et al., 2015). But that is not enough. All EU ODA will need to support climate-compatible development and a transition towards low-carbon, climate resilient development. This will require consistently mainstreaming climate considerations throughout all sectors of intervention at the national and regional levels.

The mid-term review of the EU Multiannual Financial Framework (MFF) will present an opportunity to discuss how these various considerations might be integrated. The current MFF sets annual EU spending ceilings for the 2014–2020 period. The 2016 mid-term review, while primarily a tool for reflecting on the MFF’s functioning, will also provide an opportunity to incorporate commitments towards the SDGs into the existing framework. Given the universality of the SDG agenda, it should affect not only MFF Heading 4, ‘Global Europe’, but also Heading 2 ‘Sustainable Growth’ (which includes agricultural and environmental policies) and Heading 3 ‘Security and Citizenship’ (which includes justice and home affairs, immigration and asylum policy, and public health).

EU Budget Commissioner Kristalina Georgieva acknowledged that this review comes at a time when Europe is under pressure on a number of fronts. Its economic recovery has been slow and uneven, external competition is growing, and conflicts and humanitarian crises are spiralling, in addition to the internal problems Europe faces related to integration and economic and social convergence (Georgieva, 2015). The Commissioner characterised the review as “an occasion to assess how the new instruments, programmes and rules have delivered in [the] initial programming and implementation phase”. She has also launched a process towards a more results-focused EU budget, which will feed into the mid-term review as well.

**Box 4. EU-Africa Summit on Migration**

The EU has stepped up its efforts to deal with the global refugee crisis, including the increased arrival of refugees in Europe. In 2015, the Commission proposed its European Agenda for Migration, consisting of both internal measures related to the Common European Asylum System and outreach to third countries with strengthened cooperation on asylum and migration. The EU-level response to migration can thus be understood as an attempt to bring Europe’s internal and external policies closer together to tackle a global challenge.

As part of its external response, the EU hosted a summit in Valletta, Malta, in November 2015, dedicated to migration. A large number of heads of state from both Europe and Africa attended, making the event the first summit devoted specifically to migration to attract such extensive and high-level participation, including representation from the AU and ECOWA.S. The aim was to develop improved cooperation mechanisms between the EU and Africa for addressing migration and the situation of refugees. The summit produced a political declaration, an action plan and an EU trust fund. The action plan, set to be launched by the end of 2016, contains five overarching headings: (i) the development benefits of migration, (ii) legal migration, (iii) protection and asylum, (iv) irregular migration and smuggling and (v) return and readmission. These headings build on existing action plans, such as those adopted through the Rabat Process, the Khartoum Process and the existing Declaration on Migration and Mobility from the 2014 Africa-EU Summit. Disagreement has been especially intense on return and readmission, on which EU member states have taken a strong stance.

The new EU Trust Fund for Stability and Addressing Root Causes of Illegal Migration and Displaced Persons in Africa appears set to become a key instrument for incentivising cooperation on migration with African partner countries. It will be important to ensure that the trust fund is programmed with the main goal of supporting stability and development, rather than with the narrower objective of halting irregular migration. Moreover, there is a growing trend among some EU member states to attach conditionality to their aid for migration objectives. Potential negative implications of this trend for development objectives will need to be monitored.

Increasing the scope for legal migration offers a tool for responding to the current challenges and promoting development, while also addressing some of the demographic issues that Europe faces. Nonetheless, EU member states still seem unready to embrace a strong legal migration agenda, as the outcomes of the Valletta summit showed. Without it, however, no comprehensive response to migration is conceivable.

Finally, the summit in Valletta shed light on the diminishing relevance of the current EU-ACP framework for cooperation on migration: the Cotonou Partnership Agreement article 15 on migration. Though article 13 provides a legal basis for return and readmission, it has seldom been applied. Moreover, while the Valletta action plan makes explicit reference to the article, the EU has simultaneously reverted to using sticks and carrots (e.g., aid, trade and visa facilitation) to push for bilateral agreements, common agendas and regular bilateral meetings. Beyond the legal aspect, the dialogue component in the EU-ACP framework seems to have lost pertinence for addressing today’s migration challenges.

Renewed outreach to African countries to establish better cooperation on migration governance can be only part of the EU’s response. Addressing migration’s root causes must also involve a diplomatic response for unstable and potentially unstable regions, within wider multilateral processes.
The mid-term reviews of EDF and DCI programming in 2016 will provide additional openings for adjustments and reinvigorated initiatives. An internal debate seems to be taking place within the EU’s Directorate-General for International Cooperation and Development (DG DEVCO) on reform of these mid-term reviews. It is unclear whether this could bring about a thorough readjustment of the process. As long as reform measures lead to greater flexibility of EU instruments and a higher likelihood of overall EU synchronisation, they will be more than welcome. The revision of national and regional indicative programmes during the mid-term reviews will also provide immediate opportunities to maximise the potential for climate compatible development in EU aid (Bauer, et al., 2015).

The new Financial Regulation adopted in 2013 gave the EU authority to set up and manage EU trust funds, devised to provide opportunities for the EU and its Member States to deliver more flexible, comprehensive and effective joint support in response to emergencies, fragility and thematic priorities (Hauck, et al., 2015). Already they have demonstrated their ability to quickly release urgently needed funds from the EU and its Member States, as in the case of EU fund in response to the Syrian crisis (the Madad Trust Fund, which was established in December 2014 and expected to reach €500 million by the end of 2015), the Central African Republic (the Bêkou Trust Fund, established in July 2014 and currently amounting to €100 million), droughts in EU instruments and Member States’ budgets (Hauck, et al., 2015), and more recently the EU Emergency Trust Fund for Africa, mobilising €1.8 billion from the EDF fund reserves, regional and national programmes, plus contributions from Member States.

First experiences with the implementation of the Bêkou Trust Fund are positive in bringing rapid assistance to a highly fragile environment. But the introduction of EU trust funds brings along a rapid and massive shift of EU funding from budget lines and the European Development Fund to a new instrument, with different management mechanisms and changing decision-making processes, bringing new political and operational challenges. Member States’ contributions do not seem to match initial expectations; some member states are worried that EU trust funds confer excessive power to the European Commission, and member states’ control over resources. This also underlines the fact that a critical mass of member state contributions and cooperation is needed for EU trust funds to bring any added value than circumventing EU’s own cumbersome procedures. Another concern is that although direct management is the option preferred, the European Commission does not have direct implementation capacities in all areas. This means that in some cases, funds are pooled and then channelled through other development agencies, risking additional overheads, and delays. Reflections are furthermore warranted on whether these EU trust funds, which often operate in fragile and conflict-affected environments, base their interventions on a grounded analysis of the country context, and contribute to the longer-term peacebuilding and statebuilding goals of these countries, in a way that maximises ownership. Positive experiences from the Bêkou Trust Fund in the creation of ownership still need to be fed into the operations of other EU trust funds (Hauck, et al., 2015).

**Implications of universality for the EU**

The principle of universality implies that the 2030 Agenda is to be implemented everywhere. This presents the EU and its member states with a double challenge: to realign their existing policies and practices as donors of development aid, while also systematically weaving the principles of universality, shared responsibilities, and PCSD into internal policies.

The EU and its member states will need to ensure ownership of the SDGs throughout all ministries and sectors, beyond the foreign affairs and development sphere. Unlike developing countries, EU member states do not always have a national development plan that can be adjusted to the SDGs, but many do have sustainable development plans for following up on the Rio agenda. Yet, the 2030 Agenda goes further than this. It requires a full internalisation process across the EU working on an array of issues. Among the EU institutions, this will include actors such as DG ECFIN (Economic and Financial Affairs), DG ENV (Environment), DG SANTE (Health and Food Safety) and DG HOME (Migration and Home Affairs). The process will demand considerable political leadership, especially from Frans Timmermans, the First Vice-President of the European Commission, and from Federica Mogherini, the High Representative and Vice-President of the Union for Foreign Affairs. The EU Commission has initiated a mapping exercise to analyse what policies exist for implementing the 2030 Agenda and where there may be gaps. Implementation will also require integration of global indicators into the EU’s current monitoring processes. How to do so will be decided in early 2016. Eurostat has begun working in this direction and intends to produce a preliminary report on the EU situation concerning the SDGs by the end of 2016.

The example of SDG target 1.2, to reduce poverty by at least half by 2030, illustrates what universality may entail for the EU. The Europe 2020 strategy “for smart, sustainable and inclusive growth” (EC, 2010) contains the target of lifting 20 million people out of the risk of poverty and social exclusion by 2020. Although the EU is a global model for equality and social protection, today, this headline target seems out of reach. The number of people at risk of poverty and social exclusion in the EU actually increased from 114 million in 2009 to 124 million in 2012 (EC, 2014b). This dramatic rise was a function of the EU’s unprecedented economic and fiscal crisis and the associated austerity programmes. Furthermore, the crisis has not affected all member states with the same intensity, thereby exacerbating intra-EU differences.

Moreover, the Europe 2020 poverty target is far less ambitious than the post-2015 target translated to the European context. If the EU were to reduce poverty in all its dimensions by at least half, it would need to lift 62 million people out of poverty. If Europe is unable to reverse its own worsening poverty and inequality trends, it will also affect the credibility of the EU in the SDG process (Knoll, et al, 2015).

It remains to be seen whether the link between the Europe 2020 targets and the poverty-related SDGs will be addressed in an upcoming review of the Europe 2020 strategy. A public consultation on the strategy was held in 2014, and a Commission Communication on the results was published in March 2015. Yet no reference was made to the SDGs, which at that point had not yet been officially adopted.

**Review of the European Neighbourhood Policy**

The global strategy process will have to be streamlined with other EU-level strategic analyses, such as the 2016 review of the European Neighbourhood Policy (ENP). Indeed, there is a sense that the approach of the EU and its member states has largely failed in the EU neighbourhood. The region has seen dramatic changes in recent years. The previous ENP was published against the backdrop of the 2004 accessions, when optimism around the ‘reunification of Europe’ defined the mood. Today, the EU finds itself surrounded by violent conflict in both the East and the South. The once generally accepted assumption that neighbouring countries would gradually become more ‘European’, given the right incentives, now seems utterly naive, as the EU has largely failed to support political reforms and has applied conditionality inconsistently. Challenges – such as the rise of terrorism, the stalemate in the Middle East peace process, the conflict in Syria, the migration crisis and the US pivot towards Asia – have all radically changed regional dynamics. Moreover, the Lisbon Treaty changed the EU itself, for example with the creation of the European External Action Service (EEAS) and the HR/VP post. All these factors raise new questions about the EU’s relations with its neighbours.

However, to avoid throwing the baby out with the bathwater, the European Commission has now proposed a reformed policy (EC, 2015b). This vision bases partnership between the EU and its neighbours on common interests and opportunities, including stronger emphasis on economic development and job creation (especially for younger generations), energy cooperation, migration and protection of refugees and a sharper focus on peace, stability and prosperity. The Commission has also put forward a more tailored approach, to increase ownership by the partner countries, while also pushing for greater respect for human rights and the rule of law. With the European Commission’s cards now on the table, a negotiation process has begun involving the EU member states, partner country governments and civil society. The consultations will continue well into 2016.
While the increased focus on tailor-made approaches in principle is a welcome step, it fails to address a more fundamental question: is it worth at all retaining a single policy framework for the European Neighbourhood when it in fact comprises a set of highly diverse regions and countries in Eastern Europe, the Middle East and Northern Africa, each with its own context and challenges? In the end, seeing the European Neighbourhood as a single entity is relevant only from the EU’s perspective, but does not respond to any geopolitical reality on the ground.

Rather, the ENP review could be an opportunity to rethink the EU’s relations with its neighbouring countries more fundamentally, while also synchronising it with other existing cooperation frameworks. This is particularly relevant for Northern Africa. The Joint Africa-EU Strategy views Africa as one, and provides a framework for cooperation and dialogue between the EU and existing political actors in Africa, most notably the AU. The end of the Cotonou Partnership Agreement in 2020 will provide an opportunity to consolidate EU cooperation with Africa by integrating Northern African countries (which are not part of the Cotonou Agreement) more deeply. This would therefore allow the EU to engage with Africa in a more coherent way and respond to the fact that African countries increasingly speak with one voice. Northern African countries themselves would also have a bigger opportunity to defend their interests in the EU through the AU in a more political way. The ENP review provides an opportunity to prepare the ground for such a unified policy towards Africa, but this requires the EU to take stock of political realities, rather than continue to split continent up into separate parts with different cooperation agreements.

A more unified policy that sees Africa as one could at the same time allow for a more tailoried and viable approach that acknowledges specific concerns and needs in the different countries and regions. It could therefore overcome the challenge to truly harness effective policies to address fragility in the EU’s neighbourhood, as well as in the neighbours’ neighbours (e.g., the fragile context across the Sahel).

Box 5. Conceptualising the post-Cotonou future

Discussions on the future of the partnership between the EU and the African, Caribbean and Pacific (ACP) Group of States beyond 2020 got into full swing in 2015, as the EU launched public consultations on the topic. Based on its outcomes, the EU will prepare a proposal for negotiations. The European Parliament’s Committee on Development indicated that it too will prepare an independent report on the matter.

On the face of it, the key principles underpinning the Cotonou Partnership Agreement, such as ‘contractual relations’, ‘equal partnership’ and ‘joint management’, seem relevant to the type of collective action required by the new SDG agenda. Yet, there are a number of issues to address in the debate on the future relationship, such as how fit for purpose the ACP-EU ‘North-South’ partnership framework is for dealing with the new geopolitical realities and equipped to address the global development agenda in the next two decades.

A recent ECDPM political economy analysis found that calls for a fundamental rethinking of the partnership seem justified, as it currently rests on fragile foundations unsuitable for dealing with today’s global development challenges and the increasingly divergent interests and needs of members on either side. Yet it remains to be seen how fundamental proposals for change will turn out in practice. Vested interests in Europe and in the ACP may steer towards a less ambitious redesign. Furthermore, no credible alternatives have yet been tabled and no reform-minded coalitions have emerged so far. All parties would be well served by an honest dialogue on the partnership’s future along with jointly designed future scenarios of international cooperation between the EU and ACP countries. These must be fit for the global challenges ahead, politically feasible and, above all, deliver better outcomes to the citizens and states of the ACP and Europe.

According to the Cotonou Agreement, formal negotiations on the future of ACP-EU relations must start no later than 1 October 2018. The Dutch EU presidency, which will take over from Luxembourg in January 2016, has expressed its interest in kick-starting the process. Specifically, it would like to explore alternatives to a treaty relationship. The European Commission supports this. Many actors question the strength of the ACP as a collective entity. This could trigger a debate about what the EU and ACP countries would lose if there were no successor to Cotonou, as well as on the added value of the ACP over other regional entities, such as the AU and RECs, which tend to be stronger political actors with broader mandates extending beyond development. The Dutch EU presidency, in cooperation with HR/VP Mogherini, has said it will organise an informal meeting of EU development ministers to discuss options for an equal and effective partnership that goes beyond a donor-recipient relationship and is better integrated into EU external action (TKSG, 2015).

On the ACP side, the Eminent Persons Group is scheduled to present a report on the future of the Cotonou Agreement at the May 2016 ACP Summit. The report is expected to argue for a strong and united ACP Group, and an ACP-EU cooperation mandate refocused towards seeking systemic changes that improve lives and provide mechanisms for dealing with the private sector and civil society. Rather than dismantling the ACP altogether, it is likely to seek creation of a new ACP, with new governance structures, funding modalities and capacities. The ACP itself has indicated that it would formulate its position after publication of this report.

Shaping a new EU approach to trade

A Communication released by the European Commission in October 2015 sets the tone for a new EU approach to trade, based on four pillars: transparency, inclusiveness, sustainability and value chains. This Communication, entitled Trade for All: Towards a More Responsible Trade and Investment Policy, is particularly novel in that it sets out a comprehensive approach for the EU to pursue trade and investment abroad in an interconnected world in which trade rules are increasingly defined by other partners. The Communication provides a roadmap for consolidating Europe’s trade and investment influence on the global scene, in the wake of recent developments such as the Trans-Pacific Partnership (TPP) concluded between the United States and 12 Pacific Rim countries, including very large economies in the region, and China’s ‘New Silk Road’, an initiative to expand trade and investment to China’s strategic partners.

On Africa, the new EU trade strategy calls for more ambitious engagement, in particular, in trade in services and investment, building on the existing EPAs. Two challenges are identified: (i) the recently concluded EPAs, which have not yet been signed and ratified, and (ii) EPA fatigue. After 14 years of negotiations, there is little chance that African EPA negotiators will be eager to return to the negotiating table in the near future. The EU also plans to review its Generalised System of Preferences (GSP) in 2018. The GSP is a unilateral preferential trade scheme applying to all developing countries, within which a special focus on (i) the EU grants duty-free, quota-free access on everything but arms, and (ii) developing countries showing commitment to social and human rights, good governance and responsible environmental custodianship (‘GSP+’ countries). This review will seek to consolidate lessons from the preferences granted for trade in goods, as the new GSP will consider similar preferences for services. This will be a major change, as the current system focuses exclusively on trade in goods.

Consultations to prepare for the review are likely to start in 2016.

The EU will also begin an in-depth appraisal of its Aid for Trade strategy in 2016, to determine the extent that it has enhanced developing countries’ capacities to make use of the opportunities offered by international trade agreements.
The count-down to the end of the Cotonou Partnership Agreement

Preparations for a possible new agreement, or agreements, to succeed the Cotonou Partnership Agreement (CPA) in 2020 are already under way. Twenty years ago, as the Lomé Convention reached its end in 2000, the European Union (EU) and the African, Caribbean and Pacific (ACP) went through a very similar process to negotiate the current CPA. Perhaps reflecting greater uncertainty on the possible outcome and the greater challenges the negotiators face today, the process has started somewhat earlier this time round.

From Lomé to Cotonou

- Late 1996 Consultation: European Commission launches consultation process on the future of ACP-EU cooperation.
- June 2000 Signing the Cotonou Partnership Agreement.
- April 2003 Entry into force of the Cotonou Agreement.

The future of the Cotonou Agreement

- Early 2016 EC Communication: Communication to member states and the European Parliament on the EU proposal for the negotiations.

Deadline

- 2020 Expiry of the Cotonou Agreement.
- 3 years later.

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Action on global sustainable development is urgent. The migration and refugee crisis, terrorism, violence and fragility in the European Neighbourhood and beyond—all triggered by or mixed with the very visible impacts of climate change—are stark reminders that action on these multiple fronts cannot be postponed. Climate change is occurring more rapidly and intensely than previously expected. The knock-on effects of climate and other challenges on poverty and fragility put planetary security at risk on a scale unseen before.

The global agreements on sustainable development, development financing, climate change and trade reached in 2015 mark the beginning, not the end of a long road ahead. In 2016 Africa and Europe will need to gear up to put their global 2030 commitments into practice. Implementing these agendas in the universal and integrated way that they call for will be very demanding, both technically and politically, but is necessary, as experience has shown us that silo approaches have only a limited impact. As the approach becomes more integrated, EU-Africa cooperation will no longer be about a donor-beneficiary relationship, largely based on aid. Rather it will increasingly be about jointly tackling shared problems in the common interest, with each partner playing its part.

For Africa this includes integrating the SDGs into Agenda 2063, national development plans, while strengthening linkages between various AU programmes such as the APSA, the CAADP, and justice-, governance- and climate-related policies. Solid monitoring frameworks at the national and regional levels will be needed. Talks on the Tripartite Free Trade Area (TFTA) and a potential continental free trade area (CFTA) are opportunities to be seized upon, to advance trade and industrialisation in Africa in the context of a possible economic slowdown and declining aid flows.

For Europe, 2016 will need to see a radical rethink of external action and development policy. The universal and integrated nature of the SDGs also requires the EU to get its own internal policies in order, while remaining committed as a donor. On-going consultations on a new global strategy for foreign and security policy, a new European Neighbourhood Policy, a potential revision of the EU’s development policy framework and the mid-term review of the MFF should realign EU policy and practice towards the ambitions of the SDGs.

The EU also needs to adapt its policy toolbox to the 2030 Agenda by reconsidering the role and specific value of its ODA, exploring alternative ways of financing and seeking smart means to increase the flexibility of its development instruments and the coherence between its policies. EU-Africa relations are likely to change radically as well. A new AU leadership taking office in 2016 could provide an opportunity to strengthen and deepen EU-AU cooperation. The refugee and migration crisis illustrates the EU’s interest in addressing fragility and development concerns beyond the EU’s direct neighbours, and beyond security concerns alone.

With the 2020 expiry of the Cotonou Partnership Agreement coming into sight, consideration of the future of cooperation between the EU and the African, Caribbean and Pacific (ACP) states should gather pace in 2016. Pressures are building on many fronts. With relations between the EU and its partners fundamentally changing and a new global sustainable development framework, ‘business as usual’ is no longer an option. The EU and the ACP countries must explore options for a new partnership that is politically feasible and delivers better outcomes for the states and citizens of Africa, the Caribbean, the Pacific and Europe. Finally, the EU should ensure that policy choices made in other areas during the next two years, such as in the ENP Review, do not close down opportunities for the future.


Part 1

*Can cities pave the way towards a sustainable future?*
by Kitty van der Heijden, Director of the World Resources Institute Europe.

With rapid urbanisation, cities are at a critical juncture. They have always been a major driver of economic growth, yet urbanisation brings major challenges. In 2016 we have an opportunity to promote a new model of urban development that is able to integrate all facets of sustainable development and promote equity, welfare and shared prosperity. The important role that cities can play in development has been underlined by the UN’s 11th Sustainable Development Goal which is devoted to making ‘cities inclusive, safe, resilient and sustainable’.

Part 2

*Migration and development*
by Commissioner Neven Mimica.

In 2015, the European Year for Development, we have seen major steps forward on development cooperation at the international level. The decisions taken in Addis Ababa in July on financing for development, in New York in September on the 2030 sustainable development agenda and in Paris in December on climate change together constitute a real paradigm shift for the future of the world.

Part 3

*Partnerships to deliver food security in Africa*
by Richard Munang and Robert Mgendi - United Nations Environment Programme (UNEP)

Delivering food security in Africa will not depend upon declarations of good intent but the willingness to innovate, to drive change, develop and scale up appropriate technologies, transform institutions and make Africa the continent of everyone’s dreams: full of prosperity and inclusive growth for hundreds of millions of people.

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