

## COMMUNIQUÉ – PROGRESSIVE GOVERNANCE ROUNDTABLE – 5 APRIL

We met today at the Progressive Governance Summit to discuss how progressives should respond to the changes being brought about by globalisation that are affecting us all.

Globalisation, driven by advances in information and communications technology, has transformed the world in which we live. It is breaking down traditional boundaries between countries and is enabling integration across national frontiers. It has lifted millions out of poverty.

These changes present both unprecedented new opportunities for all, as well as new threats and challenges. In particular, we meet at a time of global economic uncertainty, and at a time when the need for coordinated action to respond to economic, environmental and security challenges has never been greater. We believe that progressives are well-placed to take a lead in providing a more coordinated international response to these challenges including through effective action by multilateral organisations. We also need to involve all relevant players in our efforts to address global issues effectively.

The EU is one important element of any international response. Those representatives of EU Member States who attended the Summit are committed to using the EU as a force for global good, and will work within and outside the EU to achieve our objectives and goals.

Many of the changes arising from globalisation, and the prosperity it has brought to countries and individuals, are welcome. Nevertheless, it is vital that we do more to spread the benefits of globalisation further, so that all people have an opportunity to benefit from the possibilities for economic and social development it offers. It is vital, too, that we do not degrade the environment on which this development is dependent.

The European experience has been a successful model of regional integration and can inspire a new, balanced and cooperative approach to globalisation and common challenges.

### Poverty and Development

At the Millennium Summit in 2000 the international community – every world leader, every international body, almost every country – vowed to spare no effort to achieve the eight key Millennium Development Goals (MDGs). Today, global inequalities have become more acute, and despite unprecedented global wealth some 2.5 billion people still live on less than \$2 a day.

We note with increasing concern that although we have a plan to eliminate the illiteracy of young people by giving every young person the chance of education and a plan to cut infant and maternal mortality, we are significantly behind our goals for 2015 in health and our pledge to educate every child.

Education is the means to break the intergenerational cycle of poor development, disease and aid dependency. It is key to individual opportunity and national growth and the dignity of self reliance. For every year of schooling in the poorest countries, incomes grow by more than 10 per cent. For girls that can be up to 20 per cent.

No country has lifted itself out of poverty without educating its people. One year of additional education, if accompanied by good policies, can raise growth by 1.2 per cent.

To this end we call for immediate global action to put the Millennium Development Goals at the forefront of the international agenda – only by recognising that this is truly an emergency can concerted global action be brought about. We commit to work to make 2008 and the following years a turning point in the fight against poverty. We pledge to work together to help the world get back on track to meet the MDGs.

We know we will only succeed if governments, the private sector, and all strands of civil society work together.

And to catalyse, inspire and focus activity within this broad coalition - and to measure progress towards the 2015 pledges - today we agree that the world community should give priority to some 2010 milestones towards our 2015 goals including:

- 75 million more people lifted out of extreme poverty in Africa;
- 25 million more children in school;
- 4 million more children's lives saved;
- 35 million more births to be attended by skilled health personnel between now and 2010;
- 70 million more people given improved access to water.

A series of international meetings throughout 2008 will identify what more we all need to do to meet these goals and agree concrete action plans. In September, at the UN - and for the first time ever – we will join businesses and a wide range of civil society groups in an event to mark the halfway point to the MDGs, take stock of progress, and agree additional steps the international community will take to accelerate action. We ask that an action plan that includes the following elements and objectives be brought forward and discussed:

- support for 60 Education Fast Track initiative plans, and the \$9billion funding needed for these; the removal of user fees; and a commitment to train 10 million teachers by 2010.
- support for the first 8 international health plans, increased donor funding of \$10 billion for health systems and commitment to train 4 million health workers needed by 2015.

- a comprehensive global plan for malaria that achieves a 75% cut in malaria-related deaths by 2015.
- a commitment to support 7% growth targets in 75% of Least Developed Countries from 2010 to 2015, with support for 30 growth plans.
- a commitment of \$8bn in aid for trade and infrastructure.
- support for the Strategic Climate Fund in conformity with UNFCCC principles and for the first high-level global water and sanitation meeting, working towards the production of the annual global monitoring report.
- a recommitment to the aspiration of 0.7% goals; to donors delivering their Gleneagles \$50bn promise; and to fully implement debt cancellation.

Much innovative work will be needed to support this action plan. For health plans, this would involve looking into new financing mechanisms for funding health care. For combating malaria we would look at providing 125 million bed nets by 2010, a public-private partnership on prevention and treatment including triple Advanced Combination Therapies under the World Banks' Affordable Medicines Facility for Malaria (AMFM) scheme, and Research and Development funding to develop better drugs, and vaccination programmes.

The world is witnessing a development emergency, and we need a world wide effort to get back on track to meet the MDGs.

#### Trade and economic integration

We also recognise that countries and individuals will only be lifted out of poverty if we maintain an open global trading environment. To this end we call for concerted effort to reach agreement on the Doha Development Agenda round. The coming few weeks will be critical. We will push for a WTO Ministerial meeting in May to agree modalities on both agriculture and Non-Agricultural Market Access (NAMA) and lay the ground for a full deal by the end of 2008 for the successful conclusion of the DDA. Any deal must include a substantial package of support for the poorest countries including aid for trade, more simplified rules of origin, special and differential treatment and action on specific commodities.

Failure might undermine a rules based multilateral system and global growth, and let down the world's poorest people

Beyond this we also recognise the need to think more radically as to how better to integrate into the global trading system those countries that global trade currently passes by. To this end we will support African Union efforts to establish an African Common Market that will both boost intra-African trade and enable exports from the interior to flow uninterrupted to the sea, bringing geographically isolated landlocked states more fully into the global trading network.

In all countries we recognise that while we cannot shelter our populations from the forces of globalisation we can better equip our citizens to meet them. We remain committed to the objective of full employment and opportunity for all. We remain committed to a fairer income distribution to ensure that globalisation benefits everyone in both developed and developing countries as a basis for better social and economic growth. Food aid needs of less developed countries and humanitarian beneficiaries need to be met.

It is a fundamental belief of progressive politics that we must invest in people to achieve a fairer society and now a fairer globalisation. A job is the best protection against social exclusion, but rather than protecting specific jobs we recognise that the only secure way of achieving full employment is to take advantage of change. We must focus our governments and civil societies on investing in skills and training, as the key to future liberation of potential and talent.

In helping people to realise their potential, it is essential that we offer the education children need to show their talents. Every child deserves the unparalleled opportunity offered by education to change people's lives. Empowered through learning and skills, young people can accomplish their goals and pave the way for future success.

Policies that improve job creation, improve people's employability, upgrade and update skills and provide active help with job search, will increase employment and sustainable economic growth and must lie at the heart of this approach.

## Climate Change

It is undeniable that human activity is having a profound impact upon our planet's environment and that climate change resulting from human activity will affect the basic elements of life for millions of people. Developing regions will suffer earliest and most severely, including through deforestation and threats to small island nations. Climate change on this scale will bring substantial risks of instability and there is a real risk that much of the economic and social progress developing countries have made in recent years and the prosperity enjoyed in developed countries could be destroyed. A rapid transition to a global low-carbon economy is important to our prosperity and security.

Climate change is thus a threat to our prosperity; but it is also an opportunity. New technologies which reduce greenhouse gas emissions also offer major new drivers for economic growth. Greater energy efficiency raises economic productivity. Reduced dependence on oil and gas increases energy security. New industries in environmental sectors can provide new jobs. For developing countries low carbon sources such as solar and biogas offer the possibility of widespread access to non-polluting energy for rural communities. Our task therefore is to harness these opportunities so that the transition to a low carbon economy provides economic benefits – for all countries. There is a particular need to ensure that the benefits of this transition are available to

the least developed economies, notably in Africa, as well as to the more developed.

A post-2012 UN agreement on climate change is therefore now an urgent international priority. We will work together as progressives to achieve an agreement that is effective, efficient and equitable. We recognise the need for a long-term goal to guide our efforts; that the developed countries must take the lead in reducing their emissions; and that emerging and developing economies will also need to play their part under the principle of common but differentiated responsibilities.

We also recognise an urgent need to scale up financing now, before 2012, working with all stakeholders to develop a coherent and effective international financing framework to help developing countries invest in low carbon development paths and adapt to climate change. It is also important to support states and institutions responding to climate-induced population displacement.

To this end we call for:

- All countries to press ahead with the Bali road map, so that we reach agreement on an ambitious post-2012 international agreement in Copenhagen in 2009.
- The establishment of an effective global carbon market that rewards innovation and the adoption of low carbon technologies. We recognise that not only does a global carbon market have the capacity to drive innovation it also has the potential to incentivise a huge transfer of resources and technology to the developing world. We need to ensure that the least developed countries, including those in Africa, benefit from these flows.
- Support for the urgent work of the multilateral development banks to develop the Clean Energy Investment Frameworks to scale up financing of low carbon energy investment and adaptation. In recognising the intrinsic links between climate change and development the World Bank and the regional development banks should make the environment central to their work. We must ensure that their development programmes provide an integrated approach to tackling poverty, climate change and environmental degradation together. More widely the international community should begin to develop international development goals for after 2015 that better recognise the relationship between climate and development.
- Specifically, support for the Strategic Climate Fund administered by the World Bank, which will leverage new finance, build expertise now and support country level decision making and plans in advance of agreement on post-2012 financing arrangements.
- A stronger system of international environmental governance. The UN system must continue to mount a collective and strategic response to climate change with each body focusing on its strengths, working in collaboration with

others, including the European Union, who are committed to leading the global effort to address climate change and its consequences. The World Bank and the UN system must build an effective common approach.

### Reform of the International Institutions

It is clear that globalisation presents new public policy challenges. The world faces complex and interconnected economic, environmental, social and security risks, including threats from terrorism, organised crime, and inter-state and intra-state instability. It is vital that international institutions are effective; properly equipped and well placed to deal with them. But they can only do so if they have effective and efficient governance, deal with the right issues and have the right tools at their disposal.

To this end we need to ensure that the UN Security Council retains the global leadership and moral authority to call for action. We therefore support reform of the Security Council to make it more representative and reform of UN governance more broadly.

More than 50 years after the creation of the UN, with UN peacekeepers being increasingly used by the international community to manage and stabilise conflict, the deployment of peacekeepers still takes far too long. We need to speed up the approval of mandates and budgets, and ensure there are more troops available for more rapid deployment.

We recognise the central role that regional peace keeping forces, in particular those of the African Union, have to play, and call upon the world community to help regional powers develop the skills and expertise to deploy them effectively. We are committed to develop better financing arrangements for African peacekeeping including a UN-linked mechanism ensuring sustainable funding.

We also need to improve our ability to address issues of national and societal breakdown and improve the speed and flexibility of our support for stabilisation and recovery in countries emerging from conflict. And we recognise the need for integrated planning from day one, ensuring all instruments of crisis management (civil and military), recovery and development and reconstruction efforts form a co-ordinated strategy.

We, therefore, call for:

- More timely UN planning for stabilisation and recovery when the UN Security Council authorises a peace keeping mission;
- Much faster funding, perhaps through a UN recovery fund to provide immediate support for reconstruction; and
- Appropriately trained teams of civilian and other experts to work with local people to help put countries on the road to economic recovery and political stability.

In this era of unprecedented economic and financial integration financial market events are increasingly global. The recent turbulence in global financial markets, for example, was triggered by problems in the US sub-prime mortgage market. In this transformed global economic and financial system problems can spread rapidly to affect the whole of the world, national problems can quickly become global, and contagion can move as swiftly as the fastest communications. International financial institutions have a pivotal role to play in this transformed global environment.

Surveillance will be more than ever the IMF's main vehicle to provide an effective and timely oversight of the global economy and financial markets. Greater integration of the work on real and financial sectors is essential to understand the transmission channels with the view to provide clear guidance to countries' policy makers. Furthermore, working with the Financial Stability Forum, regulators and supervisors in all countries, the IMF can contribute to developing an effective early warning system on financial risks to the global economy.

A key lesson from previous crises is that healthy economies can benefit from the assurance of support against contagion. To this end, the IMF should continue to look at its financial support instruments with the view to ensure that they remain adequate to meet the needs of its members against sudden reversals of capital flows.

We support the recent agreement in the IMF Executive Board on quota reform, which will foster a better alignment of members' quota share with their relative economic weight, particularly for the most dynamic economies, many of which are emerging market economies while enhancing the voice of low-income countries.

We look forward to the Progressive Governance Summit in Chile in 2009.

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