

Conference

THINKING AHEAD!

German development policy amidst conflicting priorities in tackling global crises

Development Policy Forum of the Heinrich Böll Foundation

Tuesday and Wednesday, November 23-24, 2010

Heinrich Böll Foundation, Schumannstr. 8, 10117 Berlin

Conference languages

Simultaneous translation from German into English and vice versa will be available for all oral presentations.

Project management

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Background

Climate change, the world food crisis and poverty are global challenges that international development policy has to take up in the coming years. The financial crisis has affected all countries but has shattered particularly the development progress in the poorest countries.

In light of these multiple crises, German development policy is facing cross-sector challenges that will grow further by the emergence of new players from emerging countries and private donors.

Policy Coherence – The Categorical Imperative of an impact-oriented Development Policy

Policy coherence for development – achieving goal compatibility in different policy areas with regard to development objectives - is one of the political demands formulated by the Organisation for Economic Cooperation and Development (OECD), to which Germany and other members of the Development Assistance Committee (DAC) have committed themselves. The objectives and the impact of foreign policy and promotion of foreign and external economic policy, trade and climate policy, have to be brought in line with the development objectives of the Federal Government. But in practice policy coherence is often too distant reality.

Reform Debate

After one year of conservative-liberal coalition government the Heinrich Böll Foundation is hosting a conference to take a critical look at problem areas in national, European and international development policies and identify reform prospects in development cooperation.

Together with decision-makers from ministries, the *Bundestag* and the European Parliament and representatives of business and civil society, we want to discuss controversial issues such as:

- What role can development policy at all play in overcoming the climate, food and poverty crises? What reforms and contributions are needed to overcome the credibility crisis of development cooperation?
- Is national and international development policy, with its multitude of institutions and players, conceptually and institutionally at all in a position to get any answers to the multiple crises?

- What contribution do these reform discussions provide to the discourse on the reorganisation of the institutional architecture of the European Foreign and Development Policy?

AGENDA

Tuesday, November 23, 2010

8:45 – 9:25 a.m. Registration

9:25 – 9:40 a.m. Welcome and opening address

Barbara Unmüßig, President, Heinrich Böll Foundation, Berlin

— GLOBAL CHALLENGES CALL FOR GLOBAL ANSWERS

9:40 – 10:00 a.m. Keynote

Dirk Messner, Director, German Development Institute (DIE), Bonn

The keynote speech outlines the basic tasks and challenges for international and German development policy in the context of the global climate, food and poverty crises. What tasks should and can development cooperation take on in these efforts? What reforms are needed to the institutions so that they can handle global crises? How can new players be integrated in multilateral development cooperation? The correlation between the current debates about reform in international development policy on the one hand and the state of German development policy on the other hand should also be established and embedded in the context of a European and international development agenda.

— FIELD OF ACTION I:

RULES FOR FINANCING GLOBAL DEVELOPMENT ACTIVITIES OR A BLANK CHECK FOR IWF AND THE WORLD BANK?

Climate change has a negative impact particularly on development prospects of poor countries. Huge sums are needed there for adaption and mitigation. In theory, pledges for fund were made in Copenhagen to the tune of \$100 billion annually by 2020. Parallel to these developments, the G20 wrote a blank check to the IWF and the World Bank but until now has failed to establish clear criteria for use of the funds or even institutional reforms of the recipient organization to which the new money will flow. Other funding sources such as the finance transaction tax (or Robin Hood tax) and the CO2 tax would further increase the available resources. In addition, the German Federal Government shall not be relieved from its obligation under the European gradual plan to raise the ODA quota to 0.7% of the GNI by 2015. In light of the challenges posed by a coherent financing concept for the management of multiple crises, the question arises of mandatory standards, rules and criteria for tender & grant, use and management of such enormous sums. The question of the institutional architecture, the mandates, monitoring mechanisms and distribution criteria is an enormous challenge to meet Policy Coherence for Development (PCD) commitments in the national, European and international scale.

10:00 – 10:20 a.m. Political reflection and imperatives for action in development financing

Bhumika Muchhala, Policy Analyst, Finance and Development Program,
Third World Network

10:20 – 10:40 a.m. A Matter of Principle: Climate financing – Chance or Regress?

Liane Schalatek, Associate Director, Heinrich Böll Foundation, Washington
DC

10:40 – 11:00 a.m. Discussion with the audience

Moderated by: Lili Fuhr, Department Head, International Climate Policy,
Heinrich Böll Foundation, Berlin

Central questions for the discussion:

1. What criteria or standards are needed so that financial contributions simultaneously help to overcome poverty and the food crisis, promote gender equality and guarantee national self-determination and ownership in development planning?
2. How would a comprehensive climate financing architecture and mandate allocation look like a) which ensures these criteria and standards and b) that guarantees the interlinking of development activities and measures to prevent climate change and emissions?
3. How are transparency and accountability on donor and recipient side guaranteed?
4. How can the institutional fragmentation of individual players be overcome and how can activities in the areas of planning, decision-making, standard setting, implementation and monitoring be coordinated with one another and be put in an adequate operating relationship?
5. To what extent do the currently existing decision-making and governance structures for global climate financing and, to a certain extent also from development finance, reflect these qualitative principles and criteria? Is this even possible in the context of the current state of the governance structures? What structural obstacles have to be overcome? What steps in the reform process can get underway?
6. What binding international agreements are required to meet the challenges of climate protection and, at the same time, successfully tackle the other global crises?

11 – 11:30 a.m. Coffee break

— FIELD OF ACTION II: COOPERATION AND COHERENCE UNDER SCRUTINY

**11:30 – 11:50 a.m. DAC Peer Review Germany:
Opportunities and challenges for German development policy**

Eckhard Deutscher, Chair, Development Assistance Committee (DAC),
OECD, Paris

- What additional challenges arise with regard to tuning institutional mandates towards Policy Coherence for Development, compliance with ODA targets and the associated credibility in light of the emergence of new players such as China and Brazil, but also private donors like the Bill Gates Foundation or Conservation International?
- What is Germany's standing in the context of these reform debates and in the evaluation of the current DAC peer review report?

- How can the new players like China be incorporated into the DAC in the interest of policy coherence for regional development activities and protection of global goods?
- What conclusions can be drawn from this about Germany's contribution to European development policy? How do the bilateral and multilateral levels of development policy in Germany relate to one another?
- What proposals for reform of the development architecture on the whole as defined in "Policy Coherence for Development" can be put forward?
- Should we not also give more room to thinking about the limits of predictability of social development processes, of the impact of social and political dynamics, looking beyond log frames, indicators and impact orientation and give ourselves more space for reflection of political, cultural and mental realities of development work and development workers?

11:50 a.m. – 1:00 p.m. Country studies to implement the DAC requirements and Accra, Paris objectives

Case study Kenya:

Gottfried von Gemmingen, Counsellor, Head of Div. for Economic Cooperation and Development, German Embassy Nairobi (until Juli 2010); from July onwards Desk Officer climate policy and climate finance, Federal Ministry of Economic Cooperation and Development, Bonn
And
Axel Harneit-Sievers, Director, Heinrich Böll Foundation, Nairobi

Case study Cambodia:

Adam Fforde, Professorial Fellow, Centre for Strategic Economic Studies, Victoria University; Principal Fellow, Asia Institute, University of Melbourne, and Chairman, Adam Fforde and Associates p/l
And
Katrin Seidel, Director, Heinrich Böll Foundation, Phnom Penh

Moderated by: Gordon Repinski, newspaper die tageszeitung, Berlin

1:00 – 2:00 p.m. Lunch Break

— FIELD OF ACTION III: OPPORTUNITIES AND CHALLENGES POSED BY NEW PLAYERS

2:00 – 2:45 p.m. China, Brazil and South Africa – Southern donors – southern policy?

China's policy in Africa

Claude Kabemba, Director, Southern Africa Resource Watch (SARW), Johannesburg

Brazil's policy in South America and Africa – a comparison

Thomas Fatheuer, former Director, Heinrich Böll Foundation, Rio de Janeiro

Moderated by: Christine Hackenesch, Researcher, Department Bi- and Multilateral Development Cooperation, The German Development Institute (DIE), Bonn

2:45 – 3:45 p.m.

**New Players – old problems?
Opportunities and challenges posed by a new layer of players**

A discussion with

Stephen Lintner, Senior Technical Adviser, The World Bank, Washington DC

and

Peter A. Seligmann, Chairman of the Board and Chief Executive Officer,
Conservation International

Moderated by: **Heike Löschmann**, Department Head International Politics,
Heinrich Böll Foundation, Berlin

3:45 – 4:15 p.m.

Coffee break

**— POLICY COHERENCE TO PREVENT CLIMATE CHANGE AND POVERTY – PUTTING
GERMAN FOREIGN BUSINESS DEVELOPMENT POLICY TO THE TEST**

4:15 – 5:45 p.m.

Podium discussion

**Policy coherence to prevent climate change and to tackle poverty –
German policy for external economic promotion as a test field**

Export credits and investment credit guarantees are the most important instruments existing to promote German external economic policy. To determine whether these instruments are coherent with the development goals of German development cooperation such as reducing poverty, ensuring food security or climate stability, the question arises as to the necessity and potential of reform of the lending criteria and the scrutiny standards to assess ecological, social and developmental impacts on exports and investment projects receiving funding.

Central questions:

- Through which structures or guiding principles can the German Federal Ministry for Economic Cooperation and Development (BMZ) ensure that development goals are adequately addressed before they take the decision to grant export credit guarantees in the Interministerial Committee (IMA)?
- How can the export credits/projects that receive funding be more transparent, what information is necessary from the development policy point of view? Should the funding of specific exports (arms exports, dual-use goods exports) be published separately?
- Is it the responsibility of the government to monitor the funded exports/investments? How can the mechanisms of rendering of accounts of the companies that receive funding and the public agencies be structured?
- Should social and development policy aspects be added to the criteria for environmental impact assessments? Which exports and companies should be subject to a more in-depth assessment? Can this also be applied to investment credit guarantees and untied loan guarantees?
- Could the involvement of the BMU in the decision-making process enhance the environmental policy competence of the IMA?
- Should NGOs or the institutions of financial and technical cooperation (KfW development

Bank and GTZ) be represented in the IMA as experts along with representatives of the export segment and the banks?

- Does the increased orientation of the BMZ around Public Private Partnerships (PPP) indicate an instrumentalization of development cooperation for economic promotion?
- How does the policy orientation of Development Minister Niebel, which is geared toward a stronger bilateral structure for development cooperation affect the achievement of internationally agreed development and environmental goals which are essentially designed for multilateral cooperation? Do PPPs actually make a contribution to improving the efficiency of development cooperation as emphasized by the Federal Government?

Oliver Wieck, Managing Director, Foreign Economic Policy, Trade and Development Policy, The Federation of German Industries (BDI), Berlin

Regine Richter, Head, Hermes Reform Campaign, Urgewald e.V., Berlin

Doris Witteler-Stiepelmann, Ministerialrätin, Head of Division, Division 113 Export Credit and Investment guarantees, Federal Ministry for Economic Cooperation and Development (BMZ), Berlin

Hans-Joachim Henckel, Deputy Director General, Foreign Trade and Investment Promotion; International Finance; Foreign Economic Cooperation, Federal Ministry of Economics and Technology (BMW), Berlin

Moderation: Heidi Feldt, Freelance Consultant on Development Assistance, Berlin

6:00 – 8 p.m. Reception with buffet

Wednesday, November 24, 2010

9:00 – 9:50 a.m. Registration

9:50 – 10:00 a.m. Welcome
Steffen Heizmann, Director, International Division, Heinrich Böll Foundation, Berlin

REFORM ASSESSMENT OF FDP/CDU DEVELOPMENT POLICY AND PROSPECTS FOR COORDINATED GOVERNMENT ACTION

10:00 – 10:20 a.m. Reform assessment of the CDU-FDP development policy one year after the change in government
Critical assessment from the perspective of Alliance 90/The Greens.

Thilo Hoppe, Member of the German Bundestag, Assistant chairman of the parliamentary committee on economic cooperation and development and spokesman on food security for the fraction of Alliance 90/The Greens, Berlin

- 10:20 – 10:50 a.m. Proposed reforms for institutionally integrated, coherent action of German development policy including the European and international levels**
- Barbara Unmüßig**, Executive Board, Heinrich Böll Foundation, Berlin
- 10:50 – 11:10 a.m. Possibilities for response**
- Hans-Jürgen Beerfeltz**, State Secretary of the Federal Ministry for Economic Cooperation and Development (BMZ), Berlin
- 11:10 – 11:45 a.m. Coffee break**
- 11:45 a.m. – 1:00 p.m. Fishbowl discussion with Thilo Hoppe, Barbara Unmüßig and Hans-Jürgen Beerfeltz**
- Moderated by: Georg Kössler**, Steering Committee, Global Young Greens, Berlin
- 1:00 – 2:00 p.m. Lunch break**

— THE EUROPEAN REFORM LEVEL – TUG OF WAR BETWEEN THE STATUS QUO AND INNOVATIVE REFORM

- 2:00 – 2:30 p.m. Input from three sources of inspirations (10 min. each)**

Visions and core demands for an European development cooperation architecture within the scope of the European External Action Service (EEAS) in the interest of more effectiveness and policy coherence.

Klaus Rudischhauser, Director, General Affairs, Directorate-General Development, European Commission, Brussels

Video Message from **Franziska Brantner**, Member of the European Parliament, Brussels

Mikaela Gavas, Research Associate, Overseas Development Institute (ODI), London

Central questions

- The debate on the mandate of future European development cooperation currently swings as pendulum between two options for the future. One: The EU should play a greater role in policy development and program implementation. Second: the EU should limit its role to coordination and network management. What institutional architecture and mandates are needed at the European level to meet the future requirements of a European development policy to contribute to structural reform?
- Has the European Commission the potential to act as a driving force for reform towards more coordination and policy coherence? Under what conditions?
- What are the ways out of the current status quo-oriented half-heartedness in the process of redesigning the institutional architecture towards an integrated European Foreign and Development Policy?
- What institutional arrangements can promote coherence and effectiveness?
- What is politically viable?

2:30 -3:30 p.m.

Panel discussion

Klaus Rudischhauser, Director, General Affairs, Directorate-General Development, European Commission, Brussels

Franziska Keller, Member of the European Parliament, Brussels

Mikaela Gavas, Research Associate, Overseas Development Institute (ODI), London

Jean Letitia Saldanha, Policy and Advocacy Officer, Resources for Development and Global Governance, CIDSE, Brussels

Moderation: Christine Pütz, Department Head European Union, Heinrich Böll Foundation, Berlin

3:30 – 4:15 p.m.

Coffee break

— GERMAN AND EUROPEAN DEVELOPMENT POLICY IN THE 21ST CENTURY – QUO VADIS?

4:15 – 6:30 p.m.

Concluding podium

German and European development policy in the 21st century – Quo Vadis?

Central questions

- What reforms does Germany/the EU need so that development policy is designed to contribute to global structural policy in dealing with global challenges – financial crises, climate change, poverty, food, peace and security?
- Global challenges require inter-agency answers: How can policy be made more coherent in a first step at the German level? How is coherence among government agencies across sectors ensured when implementing ODA funding? What challenges need to be faced so that Germany is perceived as a driving force in the international context? What institutional mechanisms have proven successful? What can Germany learn from other countries?
- How should a policy and institutional reform agenda look like to ensure future oriented German development policy?

Ute Koczy, Member of the German Bundestag, Development spokesperson of the parliamentary group Alliance 90/The Greens, Berlin

Jürgen Zattler, Deputy Director General, European and Multilateral Development Policy; Globalization and Trade, Federal Ministry for Economic Cooperation and Development (BMZ), Berlin

Jens Martens, Director, Europe Office, Global Policy Forum (GPF), Bonn

Adam Fforde, Professorial Fellow, Centre for Strategic Economic Studies, Victoria University; Principal Fellow, Asia Institute, University of Melbourne, and Chairman, Adam Fforde and Associates p/l

Moderated by: **Barbara Unmüßig**, President, Heinrich Böll Foundation, Berlin

6:30 p.m.

End of Conference