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CIDSE News

Editorial

No development without justice for the poor

Despite a feeling of disappointment – we did not get what people in poverty needed on aid, debt and trade - the outcome of the year 2005 could still be described as a “qualified triumph” as it was to be expected that the world leaders were not ready to deliver more than what was decided in Gleneagles, New-York and Hong-Kong.

The Global Call for Action against Poverty (GCAP) was successful in getting massive public support and reaching new target groups such as youth. The CIDSE MDG campaign and the CIDSE Bishops’ Tour played a role in the public pressure that had an impact on the EU agreement to reach the 0.7% ODA target by 2015 and enabled some politicians to go further than anticipated.

Although the additional US\$ 50 billion will only be made available by 2015 and the principle of 100% multilateral debt cancellation will only apply to a limited number of countries, there is now a challenge to ensure that pledges made at the G8 and at the IMF/WB annual meetings will be delivered upon. The quality of governance in the South, the building-up of workable states and the fight against corruption are becoming more and more crucial. Attention has also to be paid to the issue of quality of aid and the conditions attached to resources made available for development.

On trade, there is a challenge to monitor the implementation of the decisions taken in Hong Kong to allow policy space for developing countries to protect their food security, rural development and livelihoods through special products and special safeguard mechanisms. The elimination of trade distorting domestic supports will remain a key advocacy priority, as an agreement on the full modalities should be negotiated by the end of April 2006.

The current weakness of policy proposals coming from the EU and the US are not promising. The room for manoeuvre in multilateral talks is very limited unless there is a change in the positions of the most powerful states. As a Catholic network, it is our role to enhance the justice approach and to bring the perspective of vulnerable people when talking about poverty with politicians. In 2006, more attention has to be paid to fragile states that represent 14% of the world population and 40% of people living with less than a dollar a day.

Season's Greetings

*“Your freedom and mine cannot
be separated”*

Nelson Mandela

*“Justice does not come from the
outside. It comes from inner
peace”*

Barbara Hall

MILLENNIUM DEVELOPMENT GOALS

The future of the Global Call to Action against Poverty

Although some minor steps have been taken in 2005, it's still a long way to reach global justice. The Global Call to Action against Poverty (GCAP) can play a role along this way by coordinating mobilisation of citizens all over the world. At the end of 2005, GCAP carried out a broad consultation among its national platforms and supporting organisations to get a picture of the different visions regarding the future of GCAP. The outcome of this consultation will be discussed at a meeting of national platforms and regional and international organisations in Beirut on March 2006. This meeting aims at taking a decision on how this global alliance should carry on its activities in the future.



CIDSE played an active role within GCAP over the past months. According to CIDSE there are some guiding principles as regards the future of GCAP. Following the principle of subsidiarity GCAP should not duplicate what other actors already do (e. g. monitoring the implementation of the MDGs or doing targeted lobby work) but rather focus on building synergies between the different parties involved. The most important objective of GCAP should be joint mobilisation behind very broad messages. Therefore, the existing Johannesburg Declaration – the document that outlines the main policy positions – should continue serving as the common basis. . The main actors in GCAP should be the national platforms and the international

networks that support GCAP. The appropriate mobilisation moments should be identified by carefully analysing the political opportunities.

We want to avoid building a resource intensive global structure, thus only a light coordination should be maintained on global level, with the main coordination taking place within national platforms and their regional networks. If the national context does not present any political opportunities for mobilisation in 2006, national platforms and regional networks should be free to decide not to mobilise. 2007 might present opportunities for global mobilisation, with the G8 taking place in Germany and the Millennium Development Goals reaching their mid-term.

TRADE AND FOOD SECURITY

WTO moving away from justice

The deal agreed by the World Trade Organisation in Hong Kong on 18 December does not go far enough in answering the call of millions of people across the world to sustain their basic livelihood. The failure to achieve this in Hong Kong reflects the lack of political will in the European Union and the United States, a fact disguised by their negotiators' fixed mandates, various development side-measures or aid packages.

Poor countries have been forced to accept a potentially damaging compromise on services and industrial goods. And the agreement on duty- and quota- free market access for all Least Developed Countries will not, given their supply constraints, help them much in sustaining their development.

Thanks to the new-found solidarity among the 110 developing countries on some key issues, limited progress has been made in

agriculture to allow some policy space for developing countries to protect their food security, livelihoods, and rural development against unfair competition, import surges and price fluctuations. The EU has finally agreed to end export subsidies by 2013 - despite all other WTO member countries asking for a 2010 end date. Disciplines have been decided regarding trade distortion through food aid and State Trading Enterprises, which concern mainly and respectively the US and Canada, Australia and New Zealand.

The Hong Kong Ministerial Declaration set a new deadline on 30 April to reach an agreement on full modalities. Concluding on full modalities in Spring 2006 is the ultimate chance to conclude the Doha Round before the end of the fast track legislation that allows the US government to sign off without consultation of the Congress. Given the budget debates both in the US and the EU, there are opportunities to pressure for a reduction of the agriculture public supports in the most powerful countries.

Caritas Internationalis and CIDSE will continue to develop their advocacy work for a further rebalancing of trade policy to protect the most vulnerable people and enhance sustainable development. On agriculture that remains the most important area for people in poverty, besides monitoring the figures that will concretise the provisions on special products and special safeguard mechanisms, one of the biggest challenges will be to reach an agreement on elimination of trade-distorting domestic support and especially new disciplines for the Green Box.

See final CIDSE and Caritas Internationalis statement:

www.cidse.org/docs/200512191029446765.pdf

The challenge on cotton remains

Hong Kong will have been disappointing for the Trade ministers of Mali, Burkina

Faso, Benin and Chad. The four cotton countries were seeking the rapid elimination of all export subsidies, tariffs, and trade-distorting domestic support for cotton, as well as a compensation package for trade losses suffered until the removal of these distorting measures was completed. The Hong Kong Ministerial Declaration adds very little to what has already been obtained by the July 2004 Framework. The declaration therefore does not fulfil the mandate the WTO members had given themselves to treat cotton expeditiously.

The decision to eliminate all forms of developed country export subsidies by 2006 is not more than the implementation of the binding ruling taken in the dispute settlement against the US. With regard to Domestic Subsidies, the Ministerial Declaration postpones the determination of the extent and pace of domestic support reductions on cotton until the overarching domestic support reductions in the wider agriculture negotiations are agreed. Finally, duty- and quota-free market access to LDC cotton exports are unlikely to benefit to African countries, since they do not export cotton to the US. The Hong Kong Declaration does not answer to African demands for an emergency fund to help poor cotton producers injured by depressed world cotton prices.



Although the results of Hong Kong are very weak, there is a risk to see the negotiators taking the Hong Kong deal as a final result on cotton. The US will exercise strong pressure to put an end to the special commodity treatment for cotton and to include the cotton case within the overall agriculture negotiations of the Doha Round. CIDSE and Caritas Internationalis will have to reinforce their advocacy for

maintaining a specific approach on cotton in the general agriculture debate until April 2006 in order to protect the livelihoods of 15m small-scale cotton producers in Africa. After Hong Kong, The Association of African Cotton producers declared: "We don't subscribe to the consensus reached by Member States and we will continue to ask for the elimination of domestic support in developed countries."

RESOURCES FOR DEVELOPMENT

Monterrey follow-up discussed by the UN General Assembly

At its sixtieth session, the UN General Assembly has pursued some of the recommendations and conclusions that have come out of a series of multi-sector dialogues on two tracks, 'sovereign debt for sustained development' and 'systemic issues' within the financing for development process. CIDSE along with other networks have been lobbying for the inclusion of a recommendation to develop a multi-stakeholder working group on debt under the auspices of the UN to further explore fairer and more comprehensive debt work-out mechanisms within these resolutions. So far, governmental response to this recommendation has been anything but warm leaving little room for optimism that the commitment made by the international community in the outcome document of the World Summit to consider *'the exploration of mechanisms to comprehensively address the debt problems'* of low and middle-income developing countries with an unsustainable debt burden is fulfilled in a fair and transparent manner in the run up to the follow-up meeting to Monterrey. One of the resolutions discussed by the General Assembly's session sets the modalities and framework for the follow-up meeting to the Monterrey Conference. The follow-up meeting is expected to take place in 2007 with Qatar offering to host it. CIDSE will

monitor discussions and continue to advocate for full multi-stakeholder participation in its preparatory phase.

Ministerial Conference on innovative sources of finance

The French government will host a Ministerial Conference on Innovative Sources of Finance from 28 February to 1 March. The main aim of the Conference will be to follow-up on the 'New York Declaration on Action Against Hunger and Poverty' proposed by a group of countries including Brazil, Chile, Spain and France and signed by more than 100 governments. More specifically, the conference will aim to secure the commitment of a larger group of states to put in place an 'air ticket levy.' CIDSE has joined several other economic justice networks and organisations calling upon governments to go beyond such a levy to adopt more ambitious international mechanisms and international legislation to support them. CIDSE has particularly advocated for the adoption of a global Currency Transaction Tax and will continue to lobby for its adoption in the run up to the February Conference.



Aid "Watchers" Seminar

The year 2005 saw the European Union committing itself to a timetable to considerably step-up aid. The commitments made by member states would enable them to reach the threshold of spending 0.7% of Gross National Income on Official Development Assistance by the year 2015 (with shorter time-line for the EU 15). Additionally, European governments have signed a global declaration on aid effectiveness and have produced an EU action plan on harmonisation. The question

now remains whether all these commitments will be followed up with real money and concrete and effectively pro-development policies. European NGOs are keenly aware of this question and are determined to monitor the evolution of European aid's quantity and quality. A first step in organising collective monitoring was taken at an Aid Watchers Meeting convened by the Belgian National Platform, 11.11.11 in Brussels, 15-16 December. Participants agreed that it was necessary to organise European aid 'watching' in a more systematic way as well as the need for there to be a lot more exchange of information and perspectives on the various questions, especially pertaining to the quality of aid. The group agreed to contribute to the organisation of a meeting of all European networks and national organisations under the auspices of CONCORD (the European platform of development NGOs) in the spring of 2006 in order to send out a clear message to governments that NGOs continue to attentively follow aid policy. The meeting would also include an internal session of NGO strategising and discussion on aid issues.

Ensuring that extractive industries contribute to the welfare of local communities

In contradiction with its own commitments to use oil revenues to help eradicate poverty, the Chad government has proposed to revise the law in order to be able to use more of the oil revenue for its own purposes as well as 'security purposes'. The current Chad law governing the management of oil revenues stipulated a provision to put aside 10% of oil revenues for future generations. By addressing major financial donors to the Chad oil pipeline project, such as the World Bank, CIDSE aimed to support ongoing efforts of the civil society in Chad to exert some pressure on their own government.

EU DEVELOPMENT POLICY

Renewed momentum for the 2007-13 financial instruments

Following agreement by EU leaders in December on the overall EU budget for 2007-13, the framework has been set to finalise the related financial instruments for development spending in 2006. In November 2005, CIDSE and Caritas members across Europe wrote to their Ministers underlining the need to give visibility and coherence to Community efforts in development within the financial instruments. CIDSE and Caritas Europa, together with other NGOs within CONCORD, will continue to lobby for instruments that can deliver on eradicating poverty and for their sufficient funding. Pressure has been growing to split the Development Cooperation and Economic Cooperation Instrument into two separate instruments: one for cooperation with industrialised countries, and a single instrument dedicated to development. Also at issue is the need to ensure a democratic role for the European Parliament in defining geographic and thematic strategies. Progress has been made in including measures to fight poverty in the Neighbourhood Instrument. The Stability Instrument still requires further clarification on its coverage to avoid confusion between development and security objectives. The Parliament should adopt its reports on the instruments by March, while Development Ministers will discuss the instruments in April.



CIDSE NEWS

In brief

CIDSE extends a warm welcome to Steffi Rosenbusch who started work in January as an assistant to the advocacy unit. CIDSE expresses its thanks to Anne Clough who has left CIDSE secretariat.

CIDSE wishes all the best to Johanna Fogelstrom who will be on maternity leave until next summer. Philipp Rohrer will take over her tasks during that period.

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CIDSE (International Cooperation for Development and Solidarity) is a coalition of 15 Catholic development organisations in Europe and North America working with partner organisations in all the developing countries. CIDSE members share a common vision on poverty eradication and social justice and a common strategy on development programmes, development education and advocacy. CIDSE's advocacy work covers trade & food security, resources for development, global governance, EU development policy, and security & development.

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