



REBALANCING THE SYSTEM TO REBUILD TRUST

8 recommendations for the next EU mandate

In a rapidly changing world, a strong EU starts with strong global ties. From tackling climate change to ensuring global health security, Europe has never faced so many challenges that it cannot solve alone. Yet recent events have exposed cracks in international cooperation and solidarity, eroding trust with key partners like Africa, which has the potential to be a green energy powerhouse and drive climate solutions not just for the continent, but the whole world. Rebuilding this trust is not just a moral imperative, but a strategic necessity. This paper lays out a series of recommendations that can help the EU rebalance the system and forge a more equitable and effective partnership with Africa. 75% of EU citizens agree: investing in partner countries is crucial.¹ By prioritizing these recommendations, the EU can ensure a prosperous and secure future for its own citizens and the entire world.

RESOURCES

The EU's next 7-year budget: The EU's current long-term budget, the Multiannual Financial Framework (MFF), lacks the resources to keep pace with the rapidly changing global landscape. To ensure the EU remains a leader in mobilizing and defending multilateral action, a significant budget increase is needed to fund global action in the 2028-2034 MFF. This will allow the bloc to effectively address global challenges, from economic instability to health threats and climate change, alongside international partners.

New revenue streams: In today's interconnected world, tackling global challenges like pandemics and climate change requires coordinated action. Unequal investments waste resources. If some countries invest heavily while others can't, the overall impact of investment is lower. The EU should address this by implementing a Financial Transaction Tax (FTT) with 75% of its revenue dedicated to funding global public goods. A Europe-wide FTT could generate €17-29 billion annually.²

Continued leadership on tackling deadly diseases: The 21st century has seen incredible progress in global health, with major strides against AIDS, tuberculosis (TB), malaria, and increased childhood vaccine coverage. This success is thanks to increased investment, improved diagnostics and treatments, and wider access to services. Since 2000, AIDS deaths have dropped by 61%³, 74 million lives have been saved from TB⁴, 11.7 million malaria deaths have been prevented⁵, and over 1 billion children have been vaccinated⁶. The EU has been a key partner in these achievements and must continue its support. By fully funding the upcoming replenishments of organizations like Gavi, The Vaccine Alliance and The Global Fund to fight AIDS, TB and Malaria, the EU can safeguard these gains and ensure a healthier future for all.

Support for Africa's health sovereignty: African leaders have ambitious plans for building stronger health systems, including a well-trained workforce to tackle future health threats. The Partnership for Vaccine Manufacturing (PAVM) aims to produce 60% of Africa's vaccines by 2040⁷, reducing reliance on imported vaccines (currently 99% of those administered) and boosting the continent's economy⁸. However, significant investment and knowledge and technology transfer are crucial for success. The EU should support these long-term strategies, like PAVM, by investing in human capital and ensuring knowledge sharing for sustainable development.

REFORM

→ **No trade-offs between climate action and development:**

Fighting climate change shouldn't come at the expense of development efforts. The EU must ensure climate funding is truly additional to existing development funding. It must also take steps to ensure that climate finance data is transparent, accurate and comparable in order to build trust with partners. ONE's research found that nearly two-thirds of climate finance commitments counted by the OECD aren't recorded as disbursed or have little to do with climate. That's an eye-popping US\$343 billion between 2013 and 2021. Without an accurate picture of how much providers are contributing, recipient countries are left in the dark, unable to accurately plan or budget for climate projects. Nigeria, for instance, received 76% less than it was promised between 2013 and 2021 (a difference of US\$4.5 billion). Senegal received 66% (US\$2.8 billion) less and Kenya 52% (US\$4.5 billion) less⁹.

→ **Multilateral Development Bank reform:** Analysis by The ONE Campaign shows that borrowing from capital markets is costing African countries 500% what they would pay if sufficient capital was available from the World Bank¹⁰. To address this, the EU should work with Member States to collectively push for reforms in multilateral development banks (MDBs). These reforms should aim to significantly increase the lending capacity of MDBs, like tripling the World Bank's IDA lending capacity, to better meet the urgent needs of partner countries.

→ **Unlocking innovative financing:** At the 2022 AU-EU Summit, Member States pledged support for recycling US\$100 billion in Special Drawing Rights (SDRs)¹¹ to aid vulnerable nations. However, only \$82.1 billion has been globally committed so far¹². To bridge this gap, the EU should champion a deal for SDR recycling through MDBs. This includes urging Member States to collectively contribute 30% of their 2021 SDR allocations to meet the \$100 billion target.

REPRESENTATION

→ **Africa at the table:** The EU must take steps to address systemic imbalances and ensure that Africa's importance and potential are reflected in international decision-making. The EU must use political and diplomatic capital to deliver greater representation for its partner and strengthen Africa's voice in discussions on addressing urgent global challenges that disproportionately impact the continent. The EU should support increased African representation in global decision-making bodies like the G20 and the UN Security Council. The EU should use its voting power in international financial institutions to advocate for reforms that benefit African countries.

The world still faces stark inequalities: unequal access to education, decent work, quality healthcare, and a climate crisis where the most vulnerable pay the heaviest price. This needs to change. The next generation of EU decision-makers need to speak out against these injustices and commit to delivering lasting change. By implementing these recommendations, the EU can not only rebuild trust with partners, but also forge a more equitable and sustainable future for all.

ENDNOTES

- 1** Eurobarometer. EU citizens and development cooperation. September 2023. Available [here](#).
- 2** Centre d'Economie de la Sorbonne & Gunther Capelle-Blancard, working paper. The Taxation of financial transactions: An estimate of global tax revenues, September 2023. Available [here](#).
- 3** UNAIDS. AIDSinfo Database. Available [here](#).
- 4** World Health Organization. (2023). 'Tuberculosis: Key Facts.', 2023. Available [here](#).
- 5** World Health Organization (WHO) 'World Malaria Report', 2022. Available [here](#).
- 6** GAVI Report, Raising Generation Immunity - The 2023 Mid-Term review Report, June 13, 2023. Available [here](#).
- 7** Africa Union, Press release - Signing of a new Agreement to drive vaccine impact in Africa, May 15, 2023. Available [here](#).
- 8** ONE Data Dives - What will it take to build an African medicines Industry? Accessed August 8, 2023. Available [here](#).
- 9** ONE Data dives, The climate finance files, accessed April 10, 2024. Available [here](#).
- 10** ONE Data dives, The collateral damage of rising interest rates, accessed August 30, 2023. Available [here](#).
- 11** SDRs are a type of reserve asset issued by the International Monetary Fund (IMF) to help supplement countries' official reserves. They provide a much-needed injection of financial liquidity without adding to debt burdens. While they are not cash, they can be traded for hard currency such as dollars, pounds, or euros.
- 12** ONE Data Dives, Special Drawing Rights, accessed September 9, 2023. Available [here](#).