
SGH
Warsaw School of Economics

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# Development Policy, Partnerships and the Global Commons

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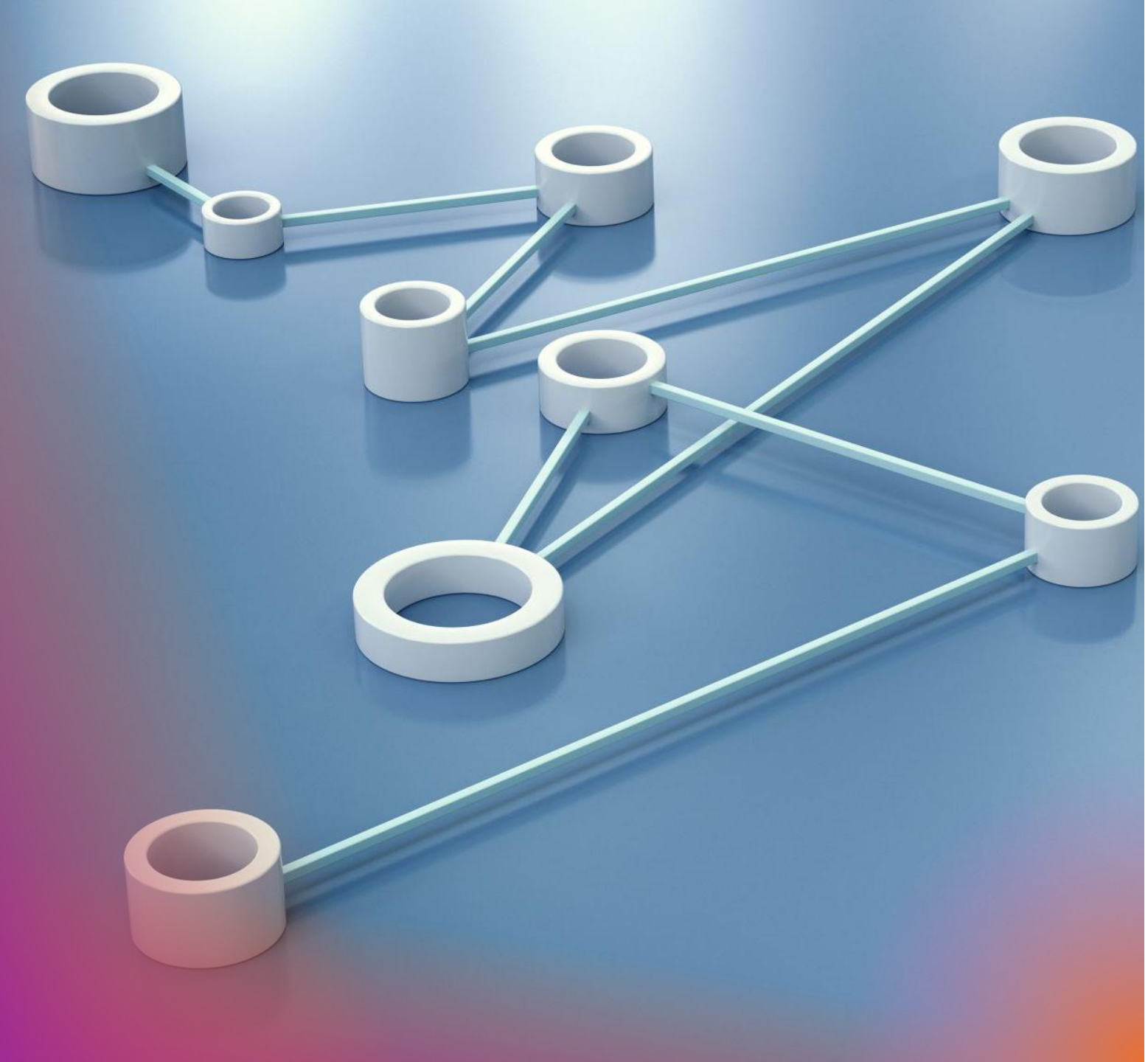


- The complex relationship between development policy, partnerships, and global commons is key to sustainable development.

# Nature of the Global Commons

- Global Commons = areas beyond national jurisdiction (Atmosphere, High Seas, Antarctica, Outer Space).

# Modern Global Public Goods

GPGs: non-excludable, non-rivalrous.

Examples: climate stability, global health, biodiversity, scientific knowledge.

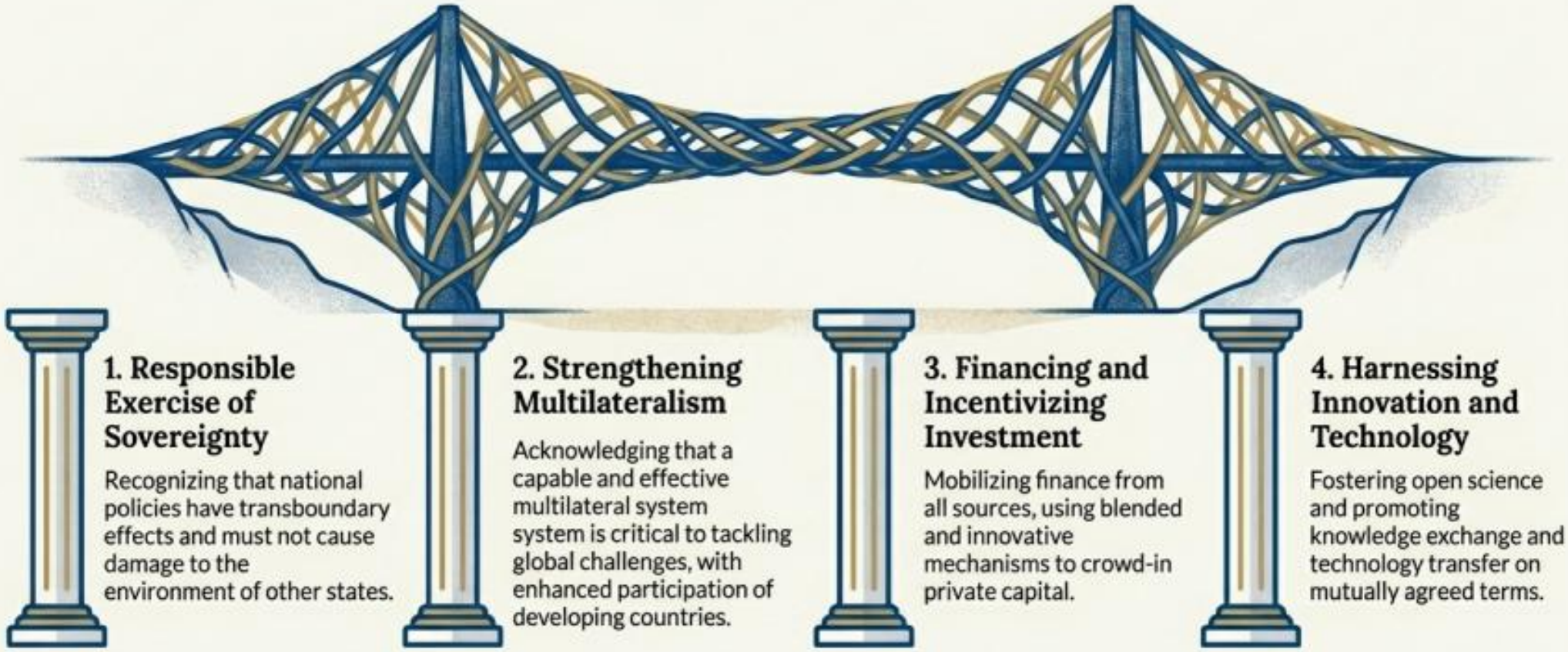
# Governance Challenges: Scale & Complexity

Global commons are hard to measure, monitor, and manage.

Require advanced, costly technologies.

# Governance Challenges: Collective Action

# This new approach is already taking shape in the emerging principles from the G20.



### 1. Responsible Exercise of Sovereignty

Recognizing that national policies have transboundary effects and must not cause damage to the environment of other states.

### 2. Strengthening Multilateralism

Acknowledging that a capable and effective multilateral system system is critical to tackling global challenges, with enhanced participation of developing countries.

### 3. Financing and Incentivizing Investment

Mobilizing finance from all sources, using blended and innovative mechanisms to crowd-in private capital.

### 4. Harnessing Innovation and Technology

Fostering open science and promoting knowledge exchange and technology transfer on mutually agreed terms.

# Governance Challenges: Under-Provision

- Governance itself is a GPG → incentives to free ride → insufficient protection structures.

# Development Policy & Global Goals

2030 Agenda + SDGs address global challenges.

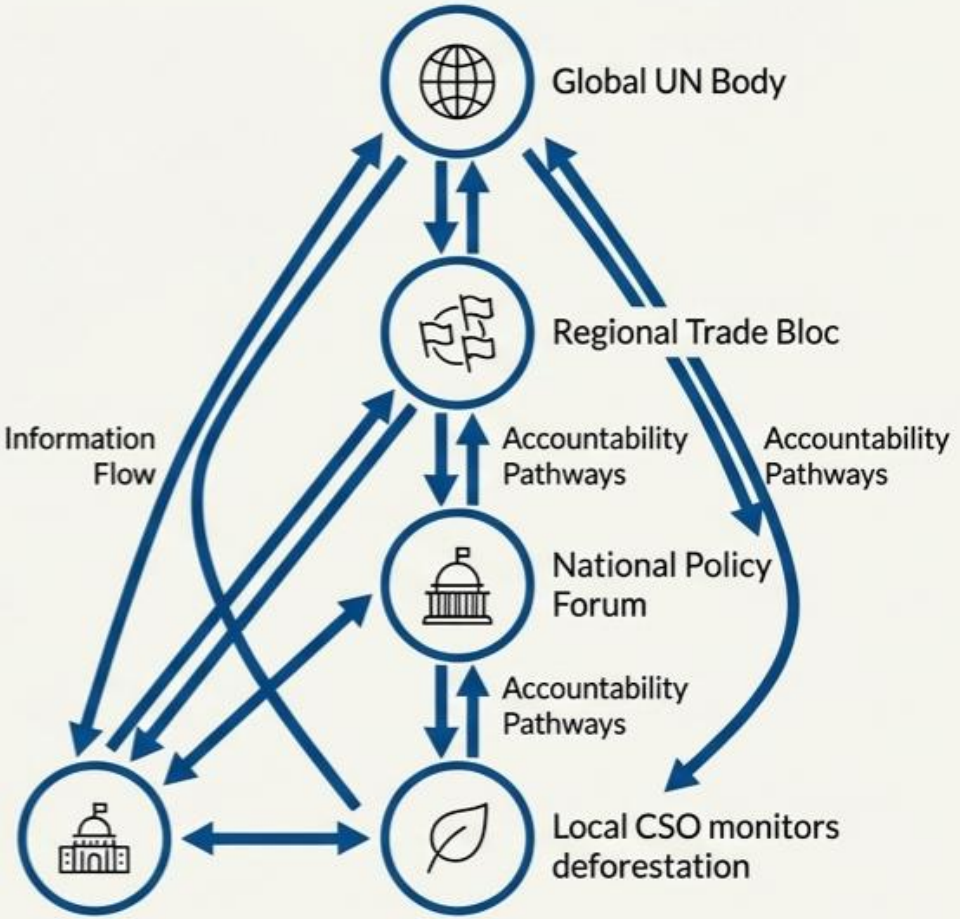
SDG17: Partnerships at core of delivery.

# A polycentric system overcomes collective action problems by creating linkages between different governance arenas.

## Key Mechanics

- **Enhanced Monitoring:** Local actors (indigenous communities, NGOs) have low monitoring costs and high stakes. They can provide better and faster information on resource degradation than distant global bodies.
- **Effective Sanctioning:** Linkage allows actions in one arena to have consequences in another. A nation breaking a climate rule could face repercussions in trade or diplomatic forums, making non-compliance more costly.

"In a linked system, reputation and trust become critical assets. The need to maintain reputation for indirect reciprocity can help ensure cooperation at a surprisingly high level."
— Hagen & Crombez, citing Milinski et al.



# EU Development Policy (DG INTPA)

From donor-recipient → equal partnerships.

Focus: interests alignment, global cooperation, poverty eradication.

# Financing Gaps

- Major challenge: closing SDG financing gaps + funding GPG protection.

# Importance of Partnerships

- International cooperation essential for GPG provision + addressing global threats.

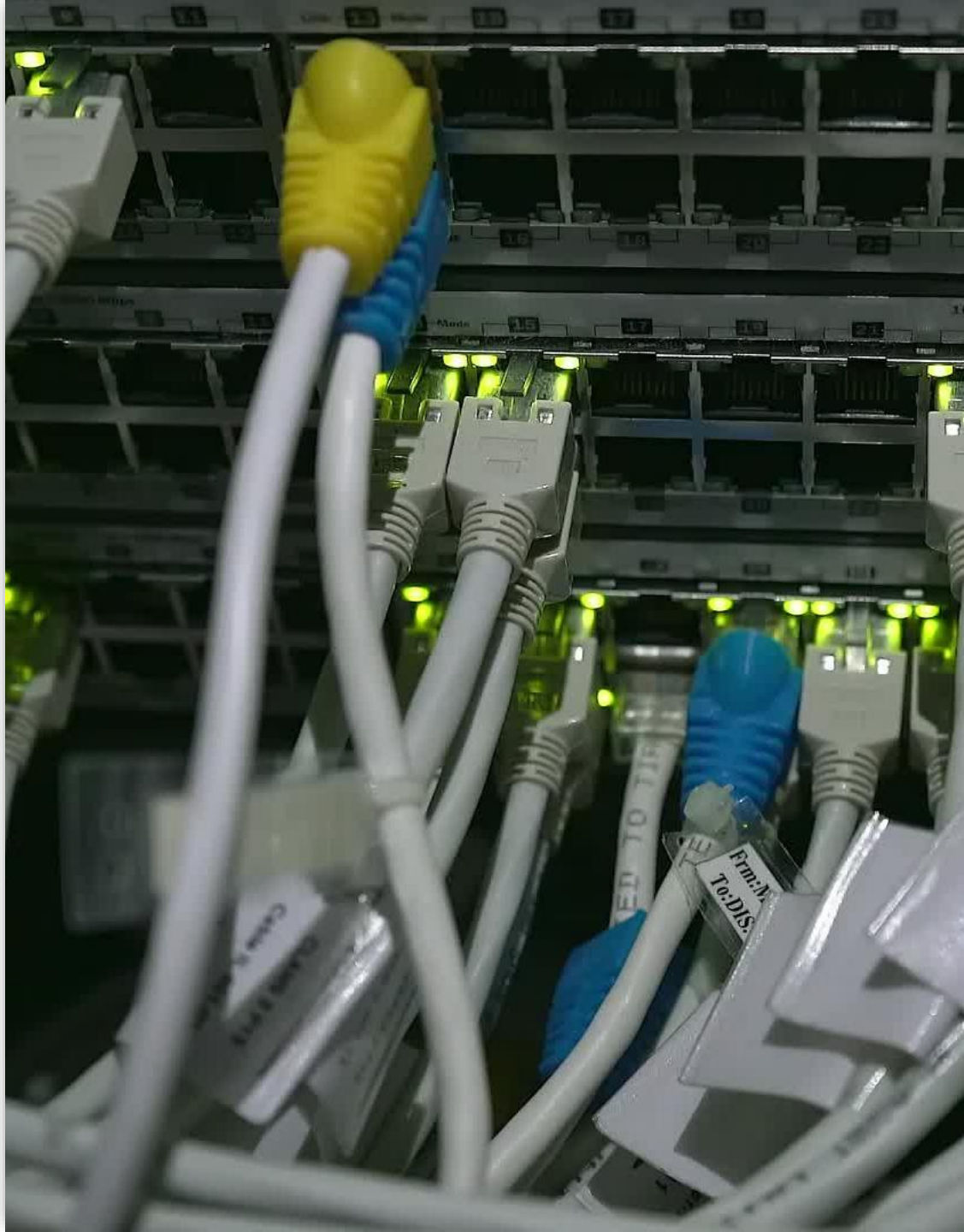
# EU’s Global Gateway Strategy

Aims to close SDG financing gap.

Driven by Team Europe: MS, DFIs, private sector.

# Critical Raw Materials Partnerships

- Diversify CRM supply + support green/digital transitions in partner countries.



# EFSD+ and Innovative Financing

EU risk-sharing attracts private investors.

Blending tools: grants + loans + equity.

# Multilateral Development Banks (MDBs)

Key concessional financiers of sustainable development.

Reforming to address global challenges.

# MDB Initiatives

World Bank FFI + Liveable Planet Fund.

Incentivize cross-border collaboration.

# Criticism of MDB Approaches

Paris alignment flawed.

DPF still supports fossil fuel dependency (e.g., Senegal).

# Polycentric Governance

Overlapping governance regimes → collective action solution.

Multiple actors monitor + sanction.

# Benefits of Polycentricism

- Diverse representation
- Improved monitoring
- Reputation effects deter free-riding

# Policy & Institutional Coherence

Sustainable development must be central in foreign policy.

Supports peace, stability, resilience.

# G20 Role in Coherence

Encourages GPG provision at all governance levels.

Aligns international finance + trade flows.

# Strategic Nexus Summary

COMMONS → FOUNDATION OF LIFE.

DEVELOPMENT POLICY → RESOURCE USE.

PARTNERSHIPS → RULES FOR FAIR SUSTAINABILITY.

# Analogy: Digital Network

Polycentric governance = distributed servers network.

Reputation + sanctions maintain system stability.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