

**FROM CRISIS**

**TO CO-OPERATION**

Co-operative Party Conference 2022

# **INTERNATIONAL DEVELOPMENT**

**Annual Conference 2022  
Policy Paper**



**co-operative  
party**

# INTRODUCTION

**T**he Co-operative Party's policy is member-led, and builds on the ideas, priorities and lived experiences of our members, movement and communities. Local parties and individual members have taken part in the consultation and contributed their ideas and priorities for Britain's international development policy.



**Daniel Monaghan**  
Policy Officer

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The challenges international development faces have grown in recent years, beset by rising political instability, climate change and the global pandemic. In just the last two years, the world has been engulfed by a pandemic on a scale unheard of for one hundred years, while conflict has raged in Afghanistan, Ukraine, Syria, Yemen and many other regions of the globe. Climate change presents an existential challenge which will require even greater global mobilisation of resources and efforts than the pandemic to effectively mitigate its worst effects and achieve sustainability long-term.

The inequality between nations and regions is made more apparent through these challenges. The Covid-19 pandemic highlighted the inequalities in access to vaccinations and health resources, leading to the development of new strains and preventable deaths. Climate changes effects certain nations, regions and communities more than others. Some of the world's poorest nations will experience the worst extremes in weather – from flooding to droughts. This will likely cause further instability, mass migration and conflict.

To confront these challenges, the UK will need to take a leading role working multilaterally with partners from across the world. Under the last Labour Government, the Department for International Development was a world leader in its approach and work on international development – creating life-changing impact for millions across the globe. Notable successes include helping to eradicate polio in many parts of the world, promoting girls' education and removing land mines from former conflict zones.

Unfortunately, the UK's status as a world leader in international development has diminished since the EU referendum in 2016. The commitment to achieve the UN's target of 0.7% of GDP spending on international development has been dropped by the Government, with it not due to return to this level until at least 2024.

In 2020, the Government announced the merger of the Department for International Development (DfID) into the Foreign & Commonwealth Office (FCO), creating the new Foreign, Commonwealth & Development Office (FCDO). This marked the end of the independent International Development Department created by the last Labour Government in 1997. Internationally recognised for its high levels of transparency and success, the abolition of DfID indicates a substantial reduction in the status of international development in the Government's priorities going forward.

British international development has taken a substantial hit at a time when it is greatly required to meet the global challenges of Covid, climate change and conflict instability. The Co-operative Party aims to provide a policy programme for a future Labour & Co-operative government which re-establishes international development as a priority – tackling the world's biggest issues and achieving life-changing impact.



# EXISTING POLICY

**T**here was broad support for the Party's existing policy platform in this area, including:

- Maintaining the commitment to spending 0.7% of national income on international development and aid. This is in-line with the United Nations' (UN) target for 0.7% spending on aid for advanced economies, first adopted in 1970.
- Support for the Party's statement on the eradication of global poverty. "The Co-operative Party is committed to supporting a development agenda that seeks to eradicate global poverty once and for all. This can only be achieved through a rights-based agenda that ensures decent jobs and social protection; access to universal health and social care; universal access to basic utilities; quality primary and secondary education; protection of ecosystems and biodiversity; basic food security and eradication of hunger; and women's empowerment and gender equality."
- There should be greater oversight, regulation, and reform of the activities of British International Investment (BII), formerly the Commonwealth Development Corporation (CDC). The BII, which is the private sector arm of the UK's aid programme, has caused controversy in recent years with aid funding ending up in tax havens or going into fossil fuel exploitation.
- Ongoing support for debt relief programmes for developing countries by the UK Government.
- Promoting trade justice as a central pillar of post-Brexit trade deals and policy. This policy should include ending trade distorting subsidies and tariffs which disadvantage developing country producers' ability to sell their goods in advanced economies. Trade deals must not feature unintended consequences for developing nations and should remove trade tariffs on fairly traded goods and products.
- Promote the growth of the global co-operative sector, which has approximately one billion members worldwide. The British Government should work with the International Co-operative Alliance (ICA) and other global co-operative development organisations to facilitate the creation, growth, and maintenance of co-operatives throughout the world

# NEW POLICY

## STATEMENT ONE:

### REINSTATE THE DEPARTMENT FOR INTERNATIONAL DEVELOPEMENT (DfID)

**T**he creation of the Department for International Development (DfID) was one of the last Labour Government's finest achievements. A separate international development ministry had been a long-term Labour Party goal – raising the issue to Cabinet status and providing it with its own independent resources and funding. With the goal achieved in 1997, DfID became an outstanding global leader in international development and foreign aid. We welcome Labour Leader Sir Keir Starmer's commitment to reintroduce an independent international development department under the next Labour & Co-operative Government.

In order to renew the UK's status as a global leader in international development, confronting the biggest challenges the globe faces, the Co-operative Party commits to:

- Re-establish the Department for International Department as an independent, cabinet level ministerial department. The Department should return to the structures put in place by the previous Labour administration and should be given the funding, resources and attention needed to tackle the major global challenges we face. This must include a return to the UN's aid spending target of 0.7% of total GDP.
- A renewed DfID should be future facing – anticipating major challenges and threats to developing nations across the world. Key priority areas for the new DfID should be tackling climate change through green development and overcoming health inequalities, which emerged during the Covid-19 pandemic.
- Transparency is vital for effective aid spending, making sure funds are not misdirected away from those who need them most. DfID had the highest departmental standards on transparency of spending prior to its abolition in 2020. A re-established DfID should aim to retain and strength these transparency standards following a demerger with the FCDO.
- In the interim prior to the re-establishment of DfID, efforts should be made to raise the transparency of all FCDO development programmes to the levels achieved by the former DfID.

**“We strongly agree with adopting the campaign to re-establish DfID as (Co-operative) Party policy. The body granted accountability and transparency for international development related causes.”**

**Exeter & Devon**

# CLIMATE JUSTICE

## STATEMENT TWO:

### PROMOTING GLOBAL CLIMATE JUSTICE THROUGH INTERNATIONAL DEVELOPMENT

**C**limate change is the foremost threat to our planet – endangering our society, prosperity, natural habit and very existence. The global challenges posed by climate change are most acute in some of the nations and regions of the Global South, including Bangladesh, Niger and the Democratic Republic of Congo. International development programmes must be responsive to the challenges posed by climatic change, that lead to increased droughts, flooding and extreme weather – causing hardship and migration from the most affected areas.

- British international development should foster and develop community energy projects in developing nations. New programmes should be established as part of the international development department's work on climate change to invest in community energy projects and provide information on how to establish new community energy initiatives. Increasing community ownership in the Global South should be established as a mission for International Climate Finance (ICF) – a cross-department funding programme for climate change and UK Partnering for Accelerated Climate Transitions (UK PACT). Promoting community energy internationally will help to create democratic renewable energy, which is owned and controlled by local communities.
- New standardised climate impact assessments should be introduced for all international development programmes and funding streams. These assessments should also be introduced in wider government-affiliated British aid organisations, including British International Investment (BII).
- A renewed DfID should increase the funding for International Climate Finance (ICF), which delivers a wide range of funding programmes to help developing nations adapt to climate change. Additional funding should be made available to those nations most at risk from climate change to help adaptation and mitigation. Access to water will be a big part of this and the UK Government should take action to ensure communities have access to water in areas hit by extreme weather and climate change. Preventing deforestation and improving the sustainable use of global forests will also be key to mitigating climate change, as reforestation helps to capture carbon in the atmosphere.

## STATEMENT THREE: PUT CO-OPERATION AT THE HEART OF BRITISH INTERNATIONAL DEVELOPMENT

**T**he co-operative movement is a global force for good, which has expanded the economic prosperity and inclusion of hundreds of millions of members and workers world-wide. We believe the co-operative model must continue to be supported and promoted globally – so that all can have the opportunity to enjoy the benefits of co-operation.

- To help promote the freedom and status of women and girls across the world, the UK Government should support the develop of co-operatives and social enterprises specifically for women. This will help to boost the social and economic inclusion of women across the Global South – helping to promote autonomy and equality. A specific focus on women’s co-operative development should be included in the mission of the SheTrades Commonwealth Programme – which supports female-led business and entrepreneurs. This work should also include specific funding to help other marginalised groups in society, which often face economic accessibility and inclusion issues, such as disabled people, ethnic and religious minorities, and LGBTQ+ communities.
- Promote the establishment of credit unions, which help financial inclusion and socio-economic development which is community and member-led. Credit unions will help to provide crucial financial services to some of the most impoverished and marginalised groups in rural and urban communities – enabling poverty reduction.
- Encourage education on co-operatives and co-operation in developing nations. The co-operative model should be taught in teaching on business, enterprise and entrepreneurship courses to help raise aware of it as a mechanism for sustainable economic development. Examples of this can be found across the world, including in India which added co-operation to the curriculum in 2021. The new Ministry for Co-operation aims to educate people on the benefits of co-operation and expand the sector in all areas of the economy within India.

## CASE STUDIES: SUCCESS OF WOMEN’S CO-OPERATIVES IN RWANDA

Female-only co-operative businesses have become a powerful tool for empowering women in Rwanda and across the African continent. Following the horrors of the Rwanda Genocide in the 1990s, women’s co-operatives have been chosen as a mechanism to help economic inclusion, women’s rights and ethnic reconciliation. Co-operative models have helped to breakdown entrenched gender norms and have enabled many women to enter the labour market for the first time. In Rwanda, this new economic and social independence is vitally important, as many women were widowed or suffered abuse at the hands of men during the genocide. The democratic structures of co-operatives have helped to bridge the ethnic divides which fuelled the genocide, creating the opportunity for a brighter future of ethnic reconciliation.



# HM REVENUE & CUSTOMS

## STATEMENT FOUR: CREATING A GLOBAL FAIR TAX SYSTEM

**I**nternational tax avoidance causes substantial economic damage to both developed and developing economies. The OECD estimates that developing countries lose three times more to tax havens than they receive in aid funding each year. This demonstrates the scale of the issue of tax avoidance to developing economies – draining resources and much needed funding from people who need it most. It is clear without tackling international tax avoidance and the use of tax havens, we will struggle to deliver an aid system which helps develop economies, reduces poverty and delivers climate justice.

- Country by country tax reporting would significantly reduce companies' ability to undertake Base Erosion and Profit Shifting (BEPS). Country by country reporting enables tax authorities visibility of a company's revenues, profits and costs – enabling them to effectively tax firms based on their activity within the country. The added transparency reduces corporation's ability to transfer profits into tax havens, thereby avoiding paying their fair share.
- To reduce the global impact of tax havens, HM Treasury should enforce country by country tax reporting for large corporations. The Treasury received powers to enforce this within the Finance Act 2016.
- The UK Government should promote country by country reporting as part of its foreign policy and should support global efforts to reduce tax evasion and avoidance. Promoting the Global Multinational Business Standard – the international version of the Fair Tax Mark – would be an effective way to encourage international businesses to commit to ethical tax. This should include maintaining and supporting the global minimum corporate tax rate of 15% - agreed in 2021.
- Increase evaluation and monitoring of aid funding with private sector partners. Assessments of private sector partners tax practices should be introduced by DfID/FCDO and other organisations, including BII. Private sector partners undertaking BEPS in developing countries should be removed from consideration for future contracts and agreements.

## STATEMENT FIVE: SUPPORTING FAIR TRADE THROUGH INTERNATIONAL DEVELOPMENT

**F**air trade aims to create a more equitable trading relationship which delivers better outcomes for producers in developing nations. By engaging in fair trade, we can help to improve workers' rights, working conditions and pay levels for some of the most economically disadvantaged producers in the world. The Fairtrade Foundation, the sector's leading organisation, works extensively with co-operatives throughout the developing world and has promoted the economic involvement of women in production. Fair trade projects have helped to deliver access to basic services and worked to improve sustainability within agriculture, helping to tackle climate change. The Co-operative Party and co-operative movement has been a long-term supporter of these initiatives through the Fairtrade Foundation and believe it can be an effective way of delivering socio-economic benefits to disadvantaged communities in the Global South.

- Encourage the uptake of fair trade commitments by international producers and companies as part of new trade deals with developing countries. In order to incentivise producers to become Fairtrade Foundation accredited, new trade deals should be pro-development – avoiding damaging tariffs and incorporating the UN Sustainable Development Goals (SDGs) – which lay out a plan for a more sustainable and equitable world.
- Create an 'Aid for Fair Trade' Fund which would support producers in developing nations to become fair trade organisations and work towards meeting the UN SDGs through trade.
- Post-Brexit trade deals must uphold action to tackle modern slavery and promote fair trade. Post-Brexit trade deals must include commitments against modern slavery within their strategic objectives, as a basis for negotiation. The UK should not sign trade deals with systemic violators of human rights and slavery.
- Encourage British companies and retailers to source and stock fair trade goods and other ethically sourced products from developing nations. The UK's co-operative societies have been leaders in fair trade for over 25 years, with the Co-operative Group being one of the world's largest fair trade retailers. Public awareness campaigns regarding ethical sourcing and fair trade should be introduced and targeted at importer organisations.

**“Fair trade gives autonomy to the growers and helps rural communities survive and discourages the move to the cities by younger people. A big push towards greater use of Fairtrade products would be a small thing for us but make a great deal of difference.”**

**Chelmsford Star**



## STATEMENT SIX:

# TACKLING MODERN SLAVERY INTERNATIONALLY

**T**he Co-operative Party believes modern slavery is one of the worst crimes which afflict our society. Anti-Slavery International estimates there are currently 40 million victims of modern slavery world-wide today, with almost three quarters of them being women and girls. This is a completely unacceptable situation in the 21st century and the Co-operative Party has been an ardent proponent of taking action to end modern slavery in the UK and beyond. In recent years, the Co-operative Party's representatives have been the driving force in introducing a Charter against Modern Slavery within local government. There are now over 100 local Councils signed up to the Charter, including Manchester City Council, Edinburgh Council and Surrey County Council. We believe more action is needed from the UK Government to tackle the issue globally. Effective international Development programmes and funding should be at the forefront of eradicating modern slavery world-wide.

- Establish anti-slavery assessments in all international development programmes. New standardised assessments should be developed by DfID/FCDO in partnership with the Independent Commission for Aid Impact (ICAI) and the Modern Slavery Policy & Evidence Centre.
- In order to improve strategy and action on modern slavery within DfID/FCDO, the UK Government should implement in full the recommendations of the ICAI's report on tackling modern slavery through international development programmes, published in November 2021.
- The UK Government should work with anti-modern slavery organisations and charities to develop a new Anti-Slavery Kitemark – in the model of the Fairtrade Mark. A new Anti-Slavery Kitemark would help consumers make ethical, informed choices for goods and products. This will need resources to be rigorously enforced and assessed.

## STATEMENT SEVEN: REDUCING GLOBAL HEALTH INEQUALITIES

**A**ccess to Covid-19 vaccinations created a global inequality between advanced economies and the Global South. This inequality of access meant developing countries could not provide immunisation to their populations – causing the spread of the disease and additional avoidable deaths within their populations. One of the most recent strains of Covid-19 emerged from a developing nation with a lower rate of immunisation – South Africa and the Omicron variant. Other health inequalities and issues with access to medicine also pervade in many of the poorest nations on Earth. Multilateral action is needed on all these issues to deliver health care for sustainable growth and population wellbeing globally.

- The UK Government should work with international organisations including the UN and the WHO to encourage pharmaceutical manufacturers to implement a Covid-19 vaccine patent waiver or sell Covid-19 vaccines at cost price – as is the case with AstraZeneca’s vaccine. The Government should continue its efforts to improve data sharing on health and medicine with countries in the global south.
- The UK International Development Department should assist in capacity building for vaccine production and medical supplies in developing nations. This should include medical storage and distribution facilities, to help ensure medical supplies can reach remote and excluded communities.
- The UK Government should increase its commitment and funding to eradicating preventable diseases, such as malaria and polio, in the developing world by working with international partners, healthcare providers and pharmaceutical companies.
- Mental health is a serious global issue, effecting hundreds of millions of people around the world. Many severe mental illnesses, such as schizophrenia, are more prevalent in the developing world, representing a severe strain for sufferers, health systems and society. As in the UK, mental health services are often poorly funded and less accessible than physical health services. The UK Government should promote greater mental health services and funding, building capacity for patients throughout the global south.

**“The right for global vaccinations should be a priority. As Gordon Brown said, ‘we are not safe until everybody is safe’. As the leading country in developing vaccines against Covid-19, we should be setting a standard for widespread supply.”**

**Kettering & Wellingborough**

# CONTRIBUTING GROUPS TO THE INTERNATIONAL DEVELOPMENT POLICY PROCESS 2022

Thank you to the following parties, networks and branches for submissions to this year's policy consultation:

Exeter & Devon	LGBTQ+ Network
(dis)Ability Network	North Wales
York & District	Greater Manchester
Islington	Norfolk
Greater Manchester	Nottingham, Gedling & Rushcliffe
North Staffordshire & Cheshire East	Harlow & Epping Forest
Chelmsford Star	Bristol
Kettering & Wellingborough	Leeds
Derby Central (Derby, Burton & South Derbyshire)	Dartford & District
Chesterfield, Bolsover & North East Derbyshire	Eastern & Southern Central England
Tyneside	East Lancashire
Cardiff & The Vale	Jarrow

Individual Co-operative Party members have made invaluable submissions to the Policy Process 2022, helping to shape party policy in key areas for both health and international development. We would like to thank everyone who took part and engaged in this year's consultation.

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Unit 13, 83 Crampton Street,  
London, SE17 3BQ.

020 7367 4150

mail@party.coop  
@CoopParty  
www.party.coop

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both at Unit 13, 83 Crampton  
Street, London, SE17 3BQ.



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