

From Disillusionment to Strategy

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Abstract: This paper builds on the debates and outcomes of the 2025 United Nations Conference on Financing for Development (FfD) in Seville to propose a renewed approach to international cooperation and multilateral reform. It argues that, in today's global context, neither nostalgia for hegemonic leadership nor defensive pragmatism can offer a viable path forward. While some actors see only a vacuum of leadership, others are actively proposing alternatives. These include new alliances, institutional reform, and concrete cooperative initiatives that respond to systemic challenges and reflect national development priorities. The paper outlines the respective expectations of the South and North. It then examines Europe's potential role, highlighting the crossroads it now faces. The paper also argues that if Europe wants to remain relevant, it must transition from traditional aid logic to strategic alliances based on joint ownership. The Global Gateway initiative is discussed as a case in point. The authors propose that it be transformed from a unilateral financing tool into a co-designed platform for experimental, variable-geometry multilateralism. Ultimately, the paper calls for a shift from abstract doctrines to a variable geometry multilateralism, where the Global South and Europe engage as equal partners in learning-by-doing and shaping a more inclusive and effective international cooperation system.

1. After Seville, a Renewed Multilateralism

The United States' increasing retreat from multilateralism is neither new nor surprising. In Seville, where the Fourth United Nations International Conference on Financing for Development took place this year, the absence of the US was, therefore, not a shock. Rather, it was perceived as confirmation of a change that is already underway. So what needs to be done?

With a sense of disenchantment, some simply describe a world without leadership and lower significantly their ambitions for global solidarity. They are generally convinced that a single hegemon is always necessary and remain attached to the existing one-sided order. At best, they ask how the damage caused by the power vacuum left by the United States can be 'pragmatically' contained, adapting to a dysfunctional less-than-optimal machine to be 'patched'.

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But another point of view also prevailed in Seville – one that calls for a revival rather than resignation. Here, the question is how to reinvent multilateralism without waiting for a hegemon (whoever that may be) to return to the stage. This second view is shared by many contributors to the latest issue of this Review.¹ They outline a ‘possibilist’ approach, which addresses the paradox of traditional multilateral institutions being at risk of collapse just when they are most needed.

These voices emphasise that no country, however powerful, can tackle today’s complex global challenges alone. While many contributions offer sharp critiques of existing institutions – e.g. highlighting their institutional fatigue and fixation on formal statutes, mandates and procedures to the detriment of actual impact – they also go beyond a mere diagnosis. They call for the reinvention of a more equitable multilateral architecture, in the medium term, while advancing actionable proposals for the short term. Among these are concrete cooperative missions – partial, thematic, and territorially specific – designed to be implemented through flexible coalitions and light governance. Such initiatives could enable states, local authorities, and non-state actors to test new forms of collaboration, observe results, and gradually reshape the practice of cooperation.

The ‘Plataforma de Sevilla’, promoted by the Spanish government during the conference, has a similar shift in approach. It does not merely attempt to fill a

leadership vacuum – it seeks to reshape leadership itself. First, by bringing together concrete and operational initiatives; and in the longer term, by paving the way for a new international cooperation architecture that is fairer, more legitimate, and more effective. The Plataforma is a starting point, not a finish line. After Seville, it invites to be updated, scaled up, and replicated. The same holds for the conversation opened in this Review: it should continue, broaden, and connect with other political processes.

In this context, we present the policy proposal we developed for FEPS and Fundación Avanza² during the Seville Conference. Like other initiatives emerging today, it builds on the idea of experimental³ multilateralism, grounded in flexibility and shared purpose. While it primarily addresses the European Union’s cooperation policy, its ambition is broader: to support political debate through concrete examples, enabling a coalition of actors to position themselves as re-inventors of development cooperation.

2. Respective Expectations Regarding Reinvention

Several countries of the Global South are explicitly calling for a reinvention of international cooperation. Many have long demanded – and in some cases achieved – a stronger voice in global forums. They seek greater alignment of cooperation with their national priorities and are actively working to create new spaces for action, new institutions, and new capabilities. These

countries are asserting themselves as key actors in defining the rules and practices of a renewed international cooperation. Yet this ambition faces a difficult and asymmetrical global context. Rising geopolitical tensions threaten to restrict their scope for action. If this process results in closed, juxtaposed, and competing spheres of influence, it could ultimately weaken the provision of global public goods - at a moment when they are more necessary than ever.

Reinvention requires at least two conditions: a meaningful role for the South in shaping development agendas, and new alliances between macro-regions to safeguard essential global goods and development perspectives. But who can act as a credible co-architect of this multilateral renewal? And around which missions should these efforts coalesce? Without clear answers and credible platforms for action, the risk is further fragmentation, fueling transactional dynamics. We could face, on one side, traditional institution with declining legitimacy; on the other, new Southern institutions struggling to fill the representational gap. To avoid this outcome, we need not only serious reflection, but pragmatic and inclusive solutions.

2.1. What the South Asks

Expectations across Africa, Latin America, and Asia are high. While they vary in form and focus, some recurring themes emerge. We highlight here three key areas where significant change is expected.

First, multilateral governance remains deeply asymmetrical. Institutions created under or associated with the Bretton Woods framework still operate according to exclusionary dynamics, with decision-making concentrated in the hands of a few - often without meaningful participation from developing countries. For this reason, the Global South calls for a profound reform of international governance. Priorities include the rebalancing of voting rights in international financial institutions and the redefinition of global tax and debt rules under UN leadership. In Seville, strong support was also expressed for overcoming the donor-recipient dichotomy, in favour of new instruments and operational principles: co-design, horizontal knowledge sharing, mutual learning, experimentation, and joint monitoring of shared missions.

Second, development paradigms, goals, and indicators need to be rethought. After decades of structural adjustment and fiscal orthodoxy, the priority is not enforcing financial stability, but identifying effective development strategies and expanding the public capacity and fiscal space needed to implement them. The notion of development has evolved. Southern countries - alongside the spirit of the 2030 Agenda⁴ - advocate for diverse development pathways. While many challenges today (climate, AI, health, migration, etc.) are global, the responses must be context specific. Yet much of today's cooperation remains rooted in narrow frameworks and GDP-based classifications, which exclude vulnerable

countries and overlook sustainability, cohesion, and structural transformation goals.⁵ There is also growing demand for fair access to green and digital technologies, reform of intellectual property rules, and greater policy space for national industrial strategies. Climate justice stands out as a central concern: Southern countries are calling for shared rules and clear operational responsibilities.

Third, the global financial architecture must be reformed. The Global South is advancing concrete proposals to address the systemic debt crisis that is stalling development: more effective restructuring processes, revised criteria for access to concessional finance, measures to curb illicit financial flows, and innovative instruments such as debt-for-investment swaps. The current system penalizes vulnerable countries with pro-cyclical ratings, fragmented access to finance, and rules that discourage long-term investment. There is an urgent need to mobilise resources - through fair taxation, remittances, guarantees, and de-risking mechanisms - while also reforming the Common Framework and going beyond the strictly prudential approaches of multilateral development banks. The Seville proposals show that change is possible - provided that the North engages in building a credible system that enables countries to invest in their future without being forced to choose between sustainability and solvency.

2.2. What the North Asks

The 'Global' North - like the South - is far from homogeneous. It lacks a

shared vision and is increasingly shaped by Atlantic geopolitical divergences, strategic ambiguities, and significant cuts in development aid. While United States withdrawal from international cooperation, a central question is understanding how other actors in the North respond - and whether they are willing to engage in renewed dialogue with the South. At this stage, we focus on the European Union, which remains the world's largest provider of official development assistance.

Europe faces a strategic choice. It can either retreat inward, believing that competitiveness and security can be achieved within its borders - thus aligning itself to 'global actors'. Or it can open toward the South, provided it redefines its international engagement not as a substitute hegemon, but as a strategic partner. The crossroads is now. If Europe does not wish to remain a subordinate observer of other powers' dynamics, it must strengthen both its autonomy and its alliances - and reimagine its approach to international cooperation. Choosing this path implies three major actions.

First, Europe should make a clear political decision. In the post-Seville phase, it should transform existing partnerships into genuine strategic alliances with the South, grounded in shared interests across ecological, digital, and social transformations.

Second, this political direction should orient resources. A strong EU external action budget should be sustained - if not increased. Without it, instruments like guarantees, de-risking, and blended

finance risk falling short, particularly in fragile countries and sectors. With recent cuts by other donors, the EU is now the largest provider of ODA - a role that will only grow in contrast with the current U.S. administration's choices. Moreover, the EU needs a reformed toolbox that integrates ODA, macro-financial assistance, export promotion, and investment support under a unified platform; establishes an external investment window in any future EU Competitiveness Fund; and transforms Team Europe into an upstream mechanism for joint resource mobilisation and decision-making.

Third, the EU should support Southern countries in accessing both public and private finance for sustainable public policies - shielded from speculation and recurring debt crises. This includes advancing UN-led negotiations on international tax cooperation and illicit financial flows, reducing fragmentation in climate finance, supporting mitigation and adaptation efforts, support risk-assessment reform, endorsing voting reform in the IMF and World Bank, and backing the Pact for the Future. It must also act on debt restructuring (including revising the Common Framework) and reduce remittance costs below 2 per cent.

Fourth, Europe must go beyond declarations and engage through action. This means demonstrating—in practice—its willingness to change not just the way it finances cooperation, but also the way it listens, decides, and acts. It should begin testing new forms of operational multilateral action to show

that more inclusive, flexible, and co-designed cooperation is possible.

3. A Testing Ground for Strategic Engagement

European cooperation has already begun to change in recent years.⁶ At the heart of this shift is the Global Gateway - an initiative focused on infrastructure and private investment promotion in the Global South. Launched in 2021 with the aim of mobilising up to €300 billion by 2027, the Global Gateway is the most ambitious expression of Europe's repositioning in development cooperation. Innovations include prioritising high-impact investments in key transition sectors, scaling up financing by mobilising private investment,⁷ facilitating blending with public financial institutions, and go beyond the logic of assistance⁸ and incorporate a strategic geopolitical approach to international engagement. Projects span Africa, the Indo-Pacific, the Balkans, Eastern Europe and Latin America, and address issues such as green hydrogen, digital education, energy corridors, and pharmaceutical production.

Several aspects of the Global Gateway could be improved. For example, many projects are still conceived in Brussels, or intangible dimensions (skills, institutions, ecosystems) are often secondary to large-scale infrastructures, etc. But the fundamental and turning point that the Global Gateway faces is another one. What is needed is not only some necessary improvements, but a clear shift of phase. Europe must send an

unequivocal message: its relationship with the Global South is entering a new stage - based on strategic alliance, mutual interest, and joint action, including at the multilateral level. This means transforming the Global Gateway from a unilateral financing tool into a shared platform, where priorities, evaluation criteria, and risk frameworks are co-defined with partner countries. Taking such a step would show that Europe has heard the messages from the South and is ready to act - not as a benevolent donor, but as a committed partner in building a fairer and more sustainable global system.

This transformation entails concrete actions, including:

- Establishing a permanent dialog platform co-led by Global South partners to design the operational architecture of the Global Gateway.
- Inviting regional institutions and development banks from Africa, Latin America and Asia in designing project pipelines and co-owning implementation frameworks.⁹
- Jointly setting rules, priorities and delivery methods ensuring that the public support targets strong environmental, social and development outcomes.
- Co-developing a new approach to risk assessment that, for example, includes governance and capacity indicators alongside traditional financial metrics.
- Agreeing on a robust certification and evaluation mechanism that ties public contributions to verifiable results.

These actions are not cosmetic adjustments. They respond directly to

long-standing demands from the Global South and aim to turn the Global Gateway into a credible laboratory for functional, fair, and forward-looking multilateralism.

The proposal recently presented by the European Commission as part of the future multiannual financial framework¹⁰ meets several of these conditions and should be supported in view of the negotiations with European member states. However, this is only a starting point. The debate on what should be done must be launched in parallel, and concrete signs of credibility must be provided. For example, considering President Trump's decisions on tariffs, the EU could propose to African countries to advance the EU-AU summit, planned for the end of the year, to define common lines of action. Good partnership is not enough; a genuine strategic alliance is needed. Similarly, urgent initiatives should be undertaken with India and Brazil to counter the effect of US decisions, which are not limited to trade but basically destroy the international governance framework and its rules. Partners should challenge the EU on this basis, considering the shared long-term interest. Political initiative is urgent.

In short, the Global Gateway is not an isolated case but a test bed to nurture an ecosystem of transformative alliances. It illustrates how international cooperation can be rethought - not by attempting to immediately build a new universal governance framework from scratch, but by experimenting with concrete initiatives rooted in common interests, co-decision, and shared responsibility.

The goal is not to impose ready-made solutions nor uniformity, but operational convergence on clear objectives, tailored to specific contexts - supported by light and voluntary governance arrangements and mutual learning. This form of variable-geometry multilateralism offers a pragmatic path forward to reinvent cooperation in today's fractured world.

4. Conclusions

In today's fractured and uncertain world, development is a shared imperative - more than ever before. The green, digital, and social transitions cannot succeed without credible global partnerships built on shared ownership. If the European Union wants to navigate this juncture and contribute meaningfully to the evolving global landscape - if it truly recognises that its own future depends on working with the Global South - then it must complete its strategic transition and formulate a broader, more inclusive policy offer anchored in joint priorities.

This means not only investing but investing differently. The clearest message Europe can send after Seville is that its relevance lies in upgrading partnerships into strategic alliances - with those countries willing to act now. Such alliances, built without preconditions, can create flexible geometries of cooperation and generate bottom-up momentum for systemic reform. External action is no longer a luxury - it is a strategic necessity.

In this context, successful experiences - even limited in scope - can become foundations for a more equitable and effective international architecture. If Europe wants to remain a relevant actor,

it must support and help legitimise these dynamics - linking experimental initiatives with a vision of the global system.

Endnote

- ¹ See the January-March issue of the Development Cooperation Review, entirely devoted to the Seville Conference. https://ris.org.in/newsletter/dcr/2025/DCR_January-March-2025.html
- ² FEPS, Europe's Strategic Role in Global Development <https://feps-europe.eu/wp-content/uploads/2025/06/PB-Europes-Strategic-Role-in-Global-Development.pdf>. Special thanks for the discussion of the proposal's contents go to Manuel Escudero, President of Avanza, and Maria João Rodrigues, President of FEPS.
- ³ See the extremely fertile and helpful work of Charles Sabel and his idea of experimentalism in public policies and multilateralism.
- ⁴ Beyond discussing the SDG financing gap, it is urgent to confront a deeper issue: the SDGs have been reduced to updated MDGs, with targets for developing countries and external aid. This undermines their core principle: universality. Advancing the 2030 Agenda requires not just more resources, but strategic choices on shared priorities—especially global public goods—and the ability to define common agendas.
- ⁵ RIS has repeatedly emphasized—including in the context of the G20—that indicators going beyond GDP are needed, must be made available, and should be adopted. These indicators must reflect what truly matters for people, the planet, and the future.
- ⁶ Europe has already embarked on a reform path, as demonstrated by several initiatives. Already in 2017, the European Consensus on Development outlined a multidimensional approach: it acknowledged the interlinkages between development, migration, security, and climate change, and engaged all

policy sectors - not just foreign aid - in development efforts. Among other elements, it recognised the diversity of developing countries, including fragile states and middle-income countries, and encouraged tailored cooperation models rather than a one-size-fits-all approach. The NDICI-Global Europe instrument, launched in 2021, consolidated several previously fragmented funding channels into a single framework, enabling the EU to act more coherently and strategically - beyond the traditional constraints of Official Development Assistance (ODA). NDICI finances investments using guarantees and blended finance instruments to mobilise both private and public capital. The EU also introduced the Team Europe Initiatives (TEIs) to enhance the coherence and visibility of European external action, aligning the efforts and resources of EU institutions, Member States, and development finance institutions.

7 The Global Gateway is a multi-actor, multi-instrument platform that combines grants, guarantees, loans, and equity to leverage private and public resources through blended finance and de-risking instruments. This is primarily achieved through the European Fund for Sustainable Development Plus (EFSD+), a leveraging instrument designed to attract private capital. Its primary innovation lies in offering partial guarantees to financial institutions to mitigate political, economic, and project-related risks and improve the bankability of projects.

8 The Global Gateway is not merely an investment funding platform; it maintains a commitment to the SDGs, reinforces regional integration, and supports green and digital transitions. Nor is the GGIA a traditional aid programme. Explicit references to assistance policies have been deliberately minimized - reflecting a shift

distancing the initiative from language and frameworks perceived as outdated.

9 The partnership established with national development banks around the world through the Finance in Common movement can play a crucial role in this regard.

10 Here the reference to the Global Europe proposal: https://commission.europa.eu/publications/global-europe_en. <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:52025PC0551>

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