2013 GLOBAL FORUM ON DEVELOPMENT

Innovative approaches to POVERTY REDUCTION SOCIAL COHESION PROGRESS post 2015

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2013 OECD GLOBAL FORUM ON DEVELOPMENT
4-5 APRIL 2013

DISCUSSION PAPER FOR SESSION 1:
www.oecd.org/site/oecdgfd/

THE NEXT GLOBAL DEVELOPMENT AGENDA
ENDING POVERTY, PROMOTING SUSTAINABILITY[1]

In any field it is necessary sometimes to have a moment to take stock, review progress and plot a future direction. Between now and 2015 the global development community will be doing just that. The adoption of the Millennium Development targets in 2000 set the course to 2015, defining the priorities for the sector, and the national policies and global relationships that would drive progress towards those priorities. After 2015, the field is open for a new set of priorities, policies and relationships. For at least a year, the debate has been building on what those should be.

This debate is informed by two types of thinking. Firstly empirical. Using evidence on the experience of the MDGs themselves and on the changing context for a new set of priorities after 2015, the question to be answered is what is the current problem, or problems, that a new agreement would seek to address. Secondly political. Given the range of problems that exist and the range of relationships and policies, at both global and national level, involved in solving these issues, what is the area in which a global but non-enforceable agreement like the MDGs or its successor, can make the biggest contribution to progress.

1. POVERTY AND PROGRESS SINCE 2000

Poverty is about more than just income. It's also about lack of opportunities to go to school or get a good job, about poor health, poor housing, lack of personal safety and a daily experience of humiliation and exclusion, and the experience of being poor is different for different people. The MDGs embody a view of poverty that is wider than just income, including health and education outcomes, gender equality and access to environmental resources, but is still not as wide as some would like.

By whatever measure, there is less poverty in the world today than when the MDGs were agreed. Twenty years ago extreme poverty was the norm in many regions. In Asia and Sub-Saharan Africa

[1] Dr. Claire Melamed with input from Dr. Dirk W. Dijkerman and Dr. Hildegard Lingnau.

more than half of the population lived on less than $1.25 in 1990. Between a quarter and a half of all children in the two regions were underweight, and in Africa only half of all children were in school.

Things are different, and better, in 2013. While extreme income poverty has been slow to decline in some areas, particularly Africa, it has shrunk to well under half of the population in Asia. Social indicators have improved at a faster rate. One to two fifths of children are now underweight. Three quarters of children in Africa are now in school, and well over 90 per cent in most of Asia. It is true that an unacceptably large number of people still suffer from extreme poverty. It is also true that much of the global picture has been driven by improvements in a few big countries, most notably China, and that in some countries and regions progress has been slow to non-existent, but it is clear that at a global level the improvements are tremendous.

Poverty being a complex phenomenon, any assessment of actual numbers is necessarily tenuous – there are, for example, more people classified as 'poor' according to the Multidimensional Poverty index (around 1.6 billion) than according to estimates of income poverty (around 1 billion). But the trends are clearly downwards.

For the MDGs themselves, globally, there has been progress on those which measure poverty outcomes (income poverty, primary completion, gender equality in education, nutrition, child mortality, maternal mortality, and water). For three of these (income poverty, gender parity in primary education and water), progress has been sufficient to meet the goals at a global level already. Three will be nearly met (nutrition, primary completion and child mortality), and just one (maternal mortality) is lagging very far behind the target (Kenny & Sumner, 2011).

The MDG targets were agreed at global level and were not intended to be achieved by each and every country, as countries commenced from different starting points Some of the original architects therefore argue that applying the targets at a national level is misleading and unhelpful (Vandemoortele & Delamonica, 2010). However, it is perhaps inevitable that they have been applied to individual countries since that is where accountability lies. A future agenda may need to combine global goals with national level targets to reconcile both national specificity and global comparability (OECD, 2012) At a country level, half of countries will meet the income, education, gender and water MDG targets and a quarter to a third of countries will meet the targets for nutrition, child mortality and maternal mortality.

It is important to note that the MDGs did not incentivize a particular focus on the poorest or the hardest to reach. Progress towards the targets is expressed as national averages which can mask sometimes quite large inequalities within countries (Melamed, 2012). In some cases, progress is concentrated among the better-off in a given country. Research by Save the Children found, that in some cases progress on child mortality, for example, was achieved nationally even where the poorest saw no change in death rates (Save the Children, 2010).

Table 1: Summary of global MDG progress

	Improvement since 1990?	'Distance progressed to global goal' (100% = goal attained)	On Track?
Poverty	Y	80	Y
Undernourishment	Y	77	N
Primary Education	Y	90	N
Gender Equality*	Y	96	Y
Child Mortality	Y	69	N
Maternal Mortality	Y	57	N
Drinking Water	Y	88	Y

Sources: Kenny and Sumner (2011), Leo and Barmester (2010), World Bank (2011) and authors own estimates based on World Development Indicators and Hogan et. al. (2010) data. Notes: *Represents the proportion of developing countries for which the appropriate data is available

Absolute and relative progress on the MDGs

Progress on most of the MDG targets is calculated in a relative sense, and each country has its own starting point. The target on income poverty, for example, was to reduce the global poverty rate by half between 1990 and 2015. Whatever the original intentions, they were adopted by governments, donors and NGOs as national level targets, with the assumption that each country should be looking to reduce its own poverty rate by half in the same period. This means very different things depending on the starting point. Thailand, for example, had an initial poverty rate of 6 per cent, reduced to 2 per cent by 2004, thus achieving the MDG target of halving the initial rate. By contrast Mali, with a starting rate of 86 per cent of the population in extreme poverty, has seen a fall to 51 per cent – a huge drop in absolute terms, but less than Thailand in relative terms (ODI, 2010). When absolute progress across all the MDG targets is set alongside relative progress, the top performers at a national level look quite different:

Table 2: Absolute and relative progress on the MDGs, top 10 achievers

Absolute progress	Relative progress
Benin	Ecuador
Mali	China
Ethiopia	Thailand
Gambia	Brazil
Malawi	Egypt

Viet Nam	Viet Nam
Uganda	Honduras
Nepal	Belize
India	Nicaragua
Cambodia	Armenia

Source: ODI, 2010, *Millennium Development Goals Report Card: Measuring Progress Across Countries,* London

2. POVERTY TRENDS AND DEFINITIONS – IMPLICATIONS FOR POST-2015

Poverty trends: who is still poor?

Global trends in poverty are characterized by both great changes and striking continuities. As countries have grown and developed, the number of poor people, whether defined by income poverty, or by any other dimension of poverty, has fallen, in some cases dramatically. The location of poverty has shifted too. Economic growth in a number of countries such as China has lifted those countries to middle-income country status, but with large numbers of extremely poor people remaining within them, around three-quarters of the world's extremely poor people now live in middle income countries (Sumner, 2012).

However, a significant number of people remain in the most extreme, grinding poverty. These people are not randomly distributed within societies but share certain social characteristics. They are poor because of discrimination and exclusion as much as because of a society-wide lack of opportunity.

If a post-2015 agreement will be at least in part about finishing the job that the MDGs started, then we need information from and about the people who have not benefitted from the progress toward the current MDGs so far, on the nature of extreme poverty today. While data are still limited, the regular household surveys undertaken as part of the Demographic and Health Surveys (DHS) exercise can shed some light on the characteristics of those who remain in extreme poverty, in terms of nutrition (MDG1), education (MDG2), and health (MDGs 4,5 and 6).

Table 3: The composition of poverty in LICs and LMICs (% poor in each group of all poor), 1998 vs. 2007

Classification	Subgroup	Education poverty		Health poverty		Nutrition poverty	
		1998	*2007*	*1998*	*2007*	*1998*	*2007*
All poor households	***Total***	*100.0*	*100.0*	*100.0*	*100.0*	*100.0*	*100.0*
Type of place of residence	**Urban**	15	17	18	22	17	18
	Rural	85	83	82	78	83	82
Education of household	**No education**	58	58	46	43	48	48

head							
Occupation of household head	**Did not work**	48	35	47	35	52	42
	Agriculture	35	40	32	35	31	35
	Manual	10	11	10	12	10	14
Ethnicity of household head	**Ethnic Minority groups**	71	69	72	69	70	72
	Largest Ethnic group	29	32	28	31	30	28

Source: Sumner, A., 2012, The New Face of Poverty? Changing Patterns of Education, Health and Nutrition Poverty in Low and Lower Middle-Income Countries by Spatial and Social Characteristics of Households, 1998 vs. 2007. IDS Working Paper (Estimates processed from DHS datasets).

Although any aggregated attempt to assess the changing pattern of poverty across low and lower middle income countries is an inherently imprecise exercise, these estimates based on aggregating DHS surveys suggest the following four broad lessons for how to end poverty, as currently defined by the MDGs, after 2015:

1. Three quarters or more of the extremely poor live in rural areas. The persistence of rural poverty over time indicates the importance of creating incentives for a stronger policy and funding focus on agriculture and infrastructure in a future agreement aimed at ending poverty, raising incomes, integrating rural areas more closely into national economies and improving service delivery.

2. Just under half of the extremely poor live in households where the head has 'no education'. While this confirms the continuing importance of improving access to education as part of a post-2015 agreement, the fact that just over half of the extremely poor live in households where the head has some degree of education illustrates that education is not providing the route out of poverty which was hoped. This is particularly true in lower-middle income countries, where a larger proportion of extremely poor people live in households where the head has some education.

   This may be related to other issues such as lack of economic growth and jobs, but also reflects concerns about the quality of education as well as access. This suggests a need for a new global agenda to move on to issues of educational outcomes rather than attendance, and of expanding global ambitions to secondary education.

3. A third of the extremely poor live in households where the head is 'not in work'. While this shows how important simply creating jobs is to ending poverty, the fact that two thirds live in households where the head is in work (of which about half work in agriculture and half in other sectors) also indicates that the quality of jobs is key. A post-2015 agenda on employment would need to consider not just creating jobs, but creating jobs which are productive enough to put an end to poverty.

4. Horizontal inequalities are a big part of the picture on global poverty. Two thirds of extremely poor people live in households where the head is from an ethnic minority group. While this finding should be viewed as tentative due to data constraints, it points to the vital need to consider national level inequalities and social exclusion as a key part of a global plan to end extreme poverty. Disability is another common and widely ignored source of inequality: UNESCO estimate that one third of the approximately 75 million children who do not attend school suffer some disability (UNESCO, 2013). Within these marginalised groups women and girls often fare worse than men and boys.

As poverty is reduced rapidly among some groups, the danger is that those left behind are characterized by a range of deprivations and exclusions which make their situation ever more intractable. In particular, physical isolation and social exclusion and discrimination are core factors which a post-2015 agreement will have to tackle if poverty is to be eliminated, either through dedicated goals on inequality or through targeting inequalities within goals on individual dimensions of human progress. It is likely that ending poverty will be very much more difficult than halving it, as increasingly poverty is a product of complex social and economic barriers to progress for specific groups, rather than simply a lack of opportunity.

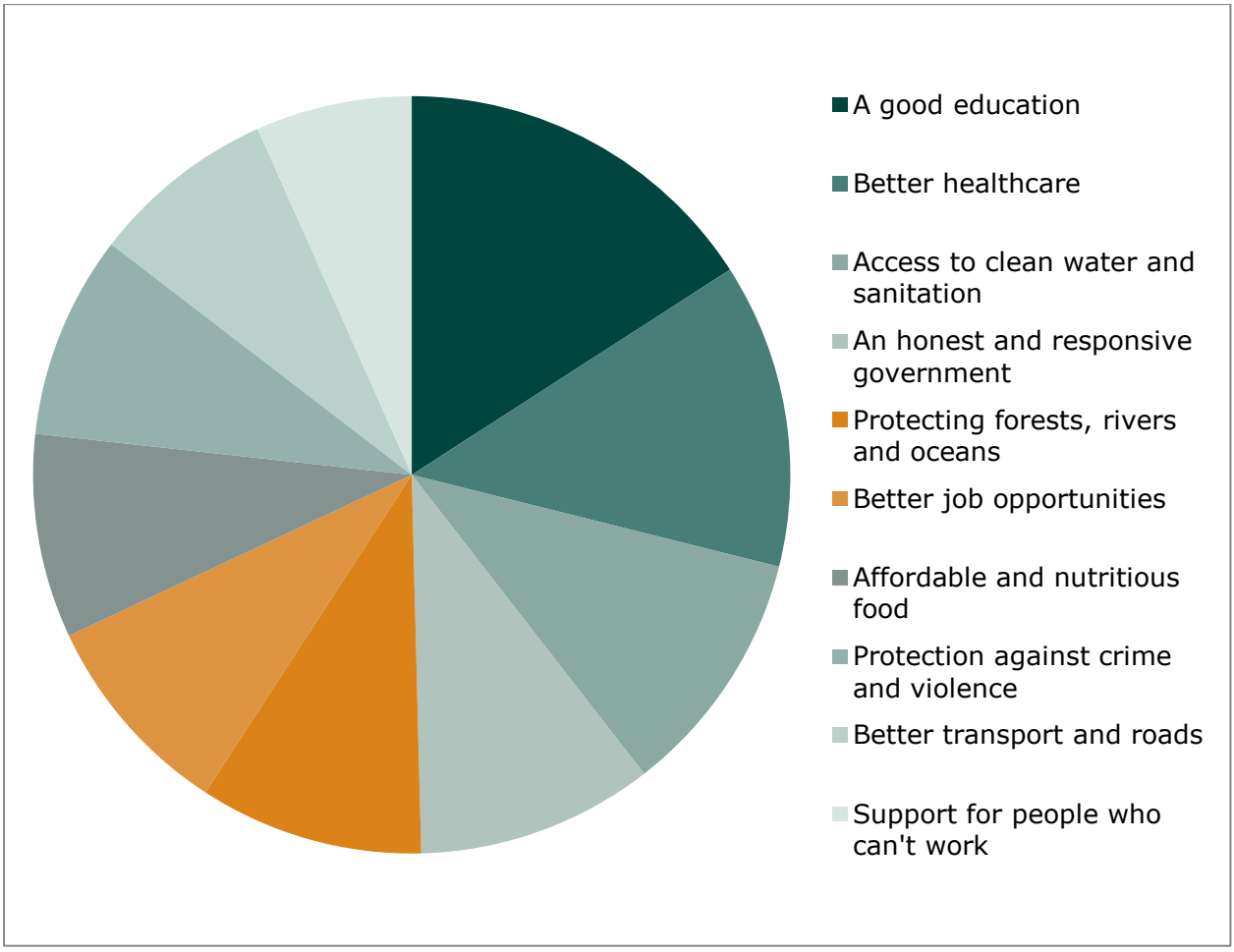
Poverty definitions: what is poverty?

The MDGs embody an implicit definition of poverty as being about a lack of material goods and services – access to education, to health care or to incomes. Since the MDGs were agreed in 2000, a great deal more has been learned about how poor people define poverty, from participatory research studies, opinion polling and other means. Specifically linked to the post-2015 agenda, the UN and several partner organisations, including ODI, have created the 'My World' survey, which asks people around the world what changes would make the most difference to their lives. This research suggests a broader agenda for a post-2015 agreement, if it is to tackle the key priorities of people around the world.

New and important issues like the role of violence and fear, or shame and social exclusion, emerge from people's own definition of what it means to be poor. Isolation is also a central part of the experience of extreme poverty, and poor people tend to place a high priority on being connected to other parts of the country or the world. Better transport links are high priorities for many people. People also suffer greatly from corruption and a lack of trust in the people and institutions that are meant to serve them – this too is a core part of the daily experience of what it is to be poor. Jobs and the lack of them – something which did not feature highly in the MDGs, are also consistently ranked as a high priority in themselves, particularly by the young. People also have a keen sense of the importance of preserving the natural resources on which they depend, with the protection of forests, rivers and oceans emerging as high priorities for many groups.

Chart 1: Top 10 priorities of people with primary education only emerging from 'MY World' survey[2]

[2] My World asks respondents for level of education as a proxy for income level, which is the method adopted by the Gallup World survey.



Source: MY World survey data, available at results.myworld2015.org from 24 March 2013, accessed 18 March 2013

An agenda to end poverty, then, should learn from the existing MDGs about how to extend the progress that has been made to groups that have, so far, been left behind. It should also learn from poor people themselves about how the definition of poverty, and thus the priorities for ending it, have to extend beyond the existing agenda into new areas, covering what people have, but also how they operate within societies and relate to others around them.

3. OTHER GLOBAL PRIORITIES AND CONTEXTS

The context in which a new agenda for poverty reduction will be implemented after 2015 has shifted too. Advanced economies continue to endure the consequences of the global financial and economic crisis, which are likely to subdue growth and employment for several more years. A lingering Eurozone crisis and a growth slowdown in some emerging economies can also undermine the future prospects of the world economy and thus limit the potential to reduce poverty reduction based on growth. These trends are likely to have significant spill over effects on poor developing countries, since they rely on foreign aid, trade and investment as key engines of growth.

Increasingly, governments will have to rely on a wider range of social and economic policies to achieve the redistribution of opportunities and resources on which poverty eradication will depend.

In developing countries, rapid population and urbanisation growth has intensified the pressure on scarce resources, prompting high and volatile food and energy prices. Climate change and environmental degradation remain a major global concern, especially since they tend to disproportionately affect the poor. These systemic risks can also lead to a destructive competition for resources that triggers political and social unrest within and across borders.

These changes have focused attention on the need to both create growth and poverty reduction but also the difficulty of maintaining progress over time. Gains made now could be swiftly put into reverse if environmental or economic shocks were to hit. A future plan for eliminating global poverty will have to focus more on how that progress can be maintained over time. There are two critical directions of change if this is to happen.

Economic challenges: growth and good jobs

In the 1990s, as the MDGs were being formed, there was perhaps more optimism about the potential for growth to reduce poverty than there is today. Countries today face two problems – for some, economic growth itself is the challenge. Countries emerging from conflict, or those recovering from economic shocks, are not surprisingly preoccupied with promoting economic growth for its own sake.

But growth per se is not the problem in most of the countries where the majority of the world's very poor people live. Growth rates have been high and sustained, and have led to impressive reductions in poverty. But in many countries economic growth is delivering less than the optimists would have predicted. The phenomenon of 'jobless growth' haunts much of Africa**Invalid source specified.**, characterizes much of India's recent experience**Invalid source specified.**, and is also present in Latin America**Invalid source specified.**. And the ILO estimates that around 40 per cent of workers worldwide are still poor – not earning enough to keep their families above the $2 a day poverty line **Invalid source specified.**.

In a world where 200 million people are unemployed, and 900 million are working but still poor, creating more jobs and increasing productivity in all sectors is key to creating the type of employment opportunities that will enable individuals and households to escape from poverty permanently. The ILO estimates that 600 million productive jobs will be needed over the next decade alone (Bergh & Melamed, 2012).

Generating the resources and creating the opportunities to end poverty, sustain improvements requires economic transformation, to increase productivity, diversify economic activities and relationships, and produce more, and more sustained outputs. In many of the world's poorest countries this means governments, companies and individuals investing to increase productivity in agriculture while at the same time diversifying out of primary products into manufacturing or services. This is more likely to happen if governments provide the infrastructure, the incentives, and the security to encourage private sector investments in more diverse and transformative economic activities which can create the amounts and types of employment needed.

Environmental challenges: climate and resource use

While current poverty trends are broadly positive, for the environmental sector the news is almost entirely gloomy (Millennium Ecosystems Assessment, 2006; OECD, 2012). Of the nine planetary

boundaries identified by the Stockholm Resilience Centre (Rockstrom et al., 2009) – the limits within which humanity can operate safely – three (climate change, biodiversity loss and the nitrogen concentration in the oceans) have already been breached and others are close to the edge. To avert catastrophe, current trends have to be reversed, and soon.

Climate change, in particular, has affected both the dynamics of global politics and the nature of global poverty. As the impacts of climate change on weather patterns and food security become clearer, it becomes more evident that a very large number of poor people will be increasingly vulnerable to its effects. These make life more uncertain for people already living extremely precarious lives. Of the top 20 countries most at risk of extreme weather in 2015, 19 are countries with large numbers of poor people. They include middle income countries (China, India, the Philippines, Sri Lanka, Vietnam, Honduras, Thailand, Zambia) and other much poorer countries (Kenya, Somalia, Mozambique, Bangladesh, Djibouti, Ethiopia, Bolivia, Cuba, Madagascar, Colombia, Zimbabwe)[3]

The impacts on poverty vary by country and by group. Some countries, such as India and Indonesia are likely to see dramatic increases in the size of the population vulnerable to sea level rises. With respective increases of 80% and 60% in their vulnerable populations, the two countries are likely to house a combined total of over 58 million of the most vulnerable people by 2050. A further 6 million people in China will also be exposed to sea level rise to make the total in that country 22 million. Nigeria, the Philippines and Egypt will also see the size of their vulnerable populations more than double between 2008 and 2050. Of the LICs, the size of Bangladesh's vulnerable population is unsurprisingly set to grow to around 27 million people – more than double the 2008 size and the second largest vulnerable population within the countries listed.

A further impact on poverty is through projected losses in agricultural productivity. Here Africa is the continent predicted to be worst affected by 2050. In the period between 2008 and 2050, areas of Africa and Asia are forecast to lose an average of between 10% and 20% in agricultural productivity. Areas in Central Africa and the Southern and Northern extremes of the continent are predicted to experience significant losses of at least 18% while East Africa is likely to be affected less severely, with productivity losses in the region of 10-14%. Food security will be an increasingly elusive ambition for many.

A key global priority over the next twenty years will be to reduce the unsustainable use of natural resources including water, fossil fuels and forests that has characterised growth in the past. If this does not happen, there is a possibility that the benefits of growth will be put at risk by future environmental disasters or the cumulative effects of a slowly changing climate. Fossil fuels currently account for 80% of energy consumption – it's clear the scale of the transformation needed is very large (Espey, 2013).

At a national level, this requires first of all changed institutional frameworks to agree, implement and monitor an integrated sustainable development agenda. Too often structural issues, competition between ministries, and incentive structures for key staff work against rather than for combining the two halves of this single problem.

The policy changes required will vary from country to country. Some common themes are likely to be the need for regulation to control the use of key natural resources and fiscal policies to ensure the benefits, when they are used, are widely shared. Secure property rights, ensuring that poor

http://www.cgdev.org/section/topics/climate_change/mapping_the_impacts_of_climate_change). [3]

people have access to and can manage the natural resources on which they depend, is one way to integrate a poverty reduction and environmental sustainability agenda at local and national level.

Environmentally sustainable development will also require a changed incentives framework to encourage investments in new, more sustainable technologies and technology transfer, including through strict sustainability requirements for public investment programmes. It requires policies that incentivize a green growth that is more sustainable and results in the better valuation and management of the environment and natural resources. A priority for policy change should be to reduce fossil fuel subsidies, which would help to drive changes in energy use as well as freeing up resources for other things.

Achieving and sustaining prosperity globally so that poverty can be ended now, and the gains maintained in the future, requires thinking about a range of transformations simultaneously. No single actor has all the solutions – governments, the private sector and civil society all have a responsibility to make this happen, and a post-2015 agenda must speak to all of their interests and concerns.

4. THE OPPORTUNITY OF THE POST-2015 AGENDA

The ambition for the post-2015 agenda is to do three things:

- tackle extreme poverty, and the inequalities which underlie it,
- promote progress that can be sustained over time by providing incentives to create economic transformation,
- setting the world on a more sustainable development path.

There is a huge opportunity here to solve a number of difficult global problems simultaneously, but at the same time, a risk of over-reaching and producing something which is too politically controversial or too complicated to get traction on governments or other actions. There are three key opportunities in a post-2015 agenda:

Ending poverty and promoting economic transformation

There is, increasingly, a consensus that a post-2015 agreement should contain as its core aspiration, ending extreme poverty by a defined date. The achievability of this ambition depends on the way that 'extreme poverty' is defined. It may be possible to end $1.25 a day poverty, for example, by sometime soon after 2030. But it would be a great deal harder to, eradicate 2 USD-poverty or 10 USD-poverty not to mention poverty as defined by the multidimensional poverty index, or for example, provide universal access to health services by that date, or a universal basic standard of educational achievement. That does not mean that these things should not be tried. The new set of targets would have to be carefully chosen to balance achievability, impact, and ambition. The risk would be confining the agenda to those things that the world could feasibly 'get to zero' on, which would make it perhaps unnecessarily narrow.

The MDGs defined a view of poverty that went beyond income – a big step forward at that time. A new agreement offers the chance to move one more step, and define poverty in a way that is more in line with how poor people themselves view their situation and build on what has been learned about how poverty can be successfully addressed. The choice of goals in a new agenda should reflect this broader definition of poverty, while targets should be designed to incentivise whatever policies are appropriate to drive progress in different contexts. This may involve a combination of global goals and national level target setting.

Ending poverty also requires more systemic changes which may also form part of a new agenda. The economic transformation that sustains poverty reduction over time is mainly created by national level policies that encourage needed structural transformation of economies, and governments do not, presumably, need a global agreement to encourage them to grow their economies. But global and regional agreements can make this easier, by, for example, providing funds for infrastructure development, promoting private sector investments that create jobs, developing trading or financial systems that work better for poor countries, or by jointly addressing shared risks and challenges, such as improving food security. Improving governance and accountability might also be part of this, and a post-2015 agreement could capitalize on the drive for greater accountability and sharing of information by creating new mechanisms to hold governments and other actors accountable for the progress towards the delivery of goals.

The point of a new agenda will be to accelerate progress in key areas, beyond what would have been achieved in the absence of an agreement. Four policy areas need to be focused upon:

- Mobilize resources, development finance, knowledge and policy expertise around a common set of priorities. Building on the recent work of the OECD's Development Assistance Committee and other institutions, it's clear that the resources will come from a wider range of sources than before. This will involve not only OECD donors but also new global partners, the private sector, through partnerships and investment, and from stronger revenue raising within developing countries themselves. The knowledge and expertise too will probably increasingly be drawn from some of the middle income countries experimenting successfully with social policies such as cash transfers and universal health systems.

- Mobilize people to campaign and lobby in support of the domestic policy changes that are the most important way that change will happen. One of the successes of the current MDGs has been the way that individual goals have formed part of the advocacy strategies of national organisations campaigning for change – for example, the movement for universal primary education in Kenya. A new agreement will have greater impact and traction if it can also be used in this way.

- Identify new ways to define and measure poverty through new definitions and indicators, building on the work that has been done within the OECD statistical division and elsewhere on new definitions and indicators for well-being and its absence.

- Invest more in data and measurement. The existing MDGs created new incentives to channel resources into measuring progress against that agenda, and created a new emphasis on measurement and evaluation in development. Partly in response to the MDGs, the OECD's High Level Forum on Aid Effectiveness has promoted new ideas and systems for monitoring the impact of aid on MDG outcomes. The Busan Action Plan for Statistics — agreed at the Fourth High Level Forum on Aid Effectiveness and proposed by PARIS21 and the World Bank — provides a framework for developing statistical capacities to improve decision making, document results, and heighten public accountability. A new agreement offers a chance to invest more in data collection and create measurement systems that are more accurate, timely, and useable than in the past.

Environmental Sustainability.

Increasingly, as poverty falls and people everywhere become wealthier, improvements in living standards will have to go hand in hand with changes in resource use, if environmental limits are not to be disastrously exceeded. Coming out of the Rio+20 Conference of June 2012, there is a global commitment to negotiate a set of Sustainable Development Goals. It is widely hoped that this will lead to a single global agenda incorporating all elements of sustainable development. Two policy areas can be focused upon:

- Through building in targets on sustainability alongside targets on expanding access by poor people to key resources. A new goal on energy, on transport, or on food, could, for example, contain targets on reducing the global consumption of non-renewable resources alongside those on increasing the access of poor people to key goods and services.
- Through goals on environmental objectives alongside poverty objectives. This is more politically challenging, as the recent history of attempts to negotiate a climate agreement sadly demonstrates. However, there may be scope to build up a range of environmental goals over time as global discussions develop.

Bringing together poverty and environmental objectives also provides the opportunity to co-ordinate the public and private resources which are mobilised for the different objectives. Currently aid and climate finance are poorly coordinated, though in many ways their objectives overlap. Just as the MDGs made coordinating aid flows easier, a common set of poverty and environmental objectives could do the same for the quite diverse new types of resource flows in this new, more complex landscape.

5. CONCLUSION: CONSTRUCTING THE NEW AGENDA

A new global agreement on development after 2015 will define a new consensus for how we define and measure global poverty and progress, and by implication, what are the priority actions required to solve it. There is the opportunity to set the world on a new development track, involving both continuity and change. The new agenda will have three components: the level of **ambition**, expressed through the goals chosen, the nature of the **actions** incentivised through the target structure, and the structure for **assessment** of progress towards the ultimate ends of the global framework. Each of these needs to be informed by the experience of the MDGs, and by the nature of current challenges.

Ambition:

1. ***The existing issues have not gone away.*** Improvements in people's incomes remain central to any poverty agenda, as do access to quality education and health services. The way those issues are addressed might be different now to how they were conceived when the MDGs were agreed, but the central objectives remain the same. On some issues, such as extreme income poverty, there is a chance to raise the level of ambition beyond reduction to elimination. A new agenda could feasibly aim for the eradication of extreme income poverty, and universal access to high quality health and education services.

2. ***New issues have emerged*** as central to how poor people view poverty and their priorities for ending it. These include access to services such as transport infrastructure which end the isolation which is such a pervasive part of life in many communities; and the importance of addressing the threat of crime and violence which is an ever present part of lives lived in poverty.

3. It is increasingly clear that ***simply ending poverty will not be enough***. Any gains made must be protected from future environmental threats, by building in incentives to develop more sustainable pathways to human progress than in the past.

Action:

The most important actions will always be related to policy change at the national level. A new agreement can effect change by providing a set of incentives for governments, and a toolkit for advocates and campaigners seeking changes. Essential building blocks of an agenda to eradicate poverty in a sustainable way would include:

1. ***Making visible and addressing the inequalities that operate as a barrier to poverty reduction.*** At the level of goals, this can be incentivised by 'zero' goals which mean that improvements have to be experienced by all poor people. At the level of targets, this can involve targets on reducing disparities in income, access to services, or specific human development outcomes, between groups and individuals. At the level of indicators, this would require a much greater level of disaggregation of data by gender, ethnicity, disability and so on, so that the relevant inequalities in any given situation can be uncovered and tackled.
2. ***Linking human development outcomes with sustainable resource use.*** This would not be relevant for every outcome – educational attainment, or freedom from crime, for example, could be met without significant impacts on resource use. But for countries choosing strategies to increase energy supply, or the production of food, or the use of water resources, a new agenda should incentivise the choice of more environmentally sustainable pathways. This can be done by combining outcome targets on human development outcomes with targets on resource use, so that while in some countries the focus is on increasing supply through new investment in sustainable technologies, in others the focus will be on reducing the use of no-renewable resources to create the environmental space for this to happen.
3. ***Embodying the new global relationships required to drive human progress.*** The global drivers of development are no longer just about aid. Aid, its effectiveness and accountability will always be part of development, particularly for the poorest countries. But increasingly other relationships are moving centre stage: new resource flows from emerging economies to their development partners, growing private sector involvement through investments and the provision of services, new public flows such as climate finance, and the global relationships which affect the room for manoeuvre of domestic governments in relation to their domestic revenue raising through tax, or their trade policies. A new agreement could promote key relationships in specific areas well beyond the traditional aid agenda, such as public-private partnerships for the expansion of services required to deliver zero goals, or the spread of successful social policies within developing countries.

Assessment:

Above all, the current MDGs are a set of targets and benchmarks through which to measure progress. A new agenda can provide a new system for measuring progress, building on the strengths of decades of work on household surveys and other instruments, but adding to them the best of new technologies and innovations. These are in three key areas:

1. ***Innovations in what is measured.*** A wide range of new indicators has been developed since 2000, with a huge expansion of knowledge and ideas around direct measurement, proxy indicators, combinations of subjective and objective measures of progress, different

composite indicators, and a growing confidence in our ability to monitor many more dimensions of human life and progress. The OECD's Better Life index is just one of these. Things which may have seemed impossible to measure in 2000 are now entirely feasible, and this new range of knowledge can be pressed into service for a new agenda, allowing the monitoring of goals and targets in a much wider range of areas.

2. ***Innovations in how things are measured.*** New technologies, from GPS systems which allow precise locations to be mapped, to mobile phones which allow data to be collected in real time, have the potential to change how measurement happens. The challenge will be to combine the rigour of existing survey methods with the possibilities provided by new innovations. The OECD's long experience with providing support and ideas on statistical techniques and data collection put the organisation in a good position to provide ideas and assistance in this area.
3. ***Innovations in who measures.*** New technology, in particular, has changed the dynamics of who does the measurement. The majority of data is still collected and analysed by data professionals. But there is a growing trend towards more decentralised systems of data collection, where citizens input data on what they see around them – for example during elections. In parallel with this, is a growing expectation that the use of data should be open to more people – consumers of services expect to see more information about outcomes, voters want to see more information about budgets, and the beneficiaries of aid projects expect a higher level of transparency from the NGOs that run them. Inevitably, a new global development agenda will be implemented in this changing context, and the way data on progress is collected and used will reflect this.

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