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**THE POST-2015 AGENDA: HOW CAN WE CONTRIBUTE TO THE UN-LED PROCESS?**

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*The MDG deadline of 2015 is approaching quickly and the process to prepare for the follow-up framework is accelerating with the establishment of a UN Task Team and a UN High Level Panel of Eminent Persons. The DAC originated the goals framework and is considering appropriate ways to engage in developing future goals. Given the changing global landscape, the DAC needs to acknowledge that in order to be successful the process needs to be country-driven and take place under the auspices of the UN. At the same time, the DAC and the OECD at large have much to contribute. This issues paper provides information about the context and presents options regarding how the international community, including the DAC and the OECD, could potentially contribute to the post-2015 agenda and framework.*

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**THE POST-2015 AGENDA:**
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## I. CONTEXT

1. This paper has been developed as a discussion piece to help set the stage for an interactive debate among Ministers on the current context in preparations for the post-2015 development agenda. The DAC HLM is an opportunity for Ministers in charge of development cooperation to have an exchange on the state of play of the preparatory process and to give guidance on how the DAC and its members could support and add value to the post-2015 development agenda based on its specific responsibilities and comparative advantage -- both in terms of substance and commitments. Some potential avenues for support are outlined here for discussion.

2. A dynamic, changing context: The global development landscape has changed tremendously and irrevocably since the establishment of the MDGs in 2000/01. The global economy is becoming more multi-polar. Progress is being made by a number of countries which have reduced absolute poverty dramatically, while abject poverty persists in many countries. Questions of inequality and (re)distribution are becoming increasingly important in all countries, coupled with the growing challenge of articulating greater coherence in economic development, social development and environmental sustainability. Development finance is becoming more complex. Development thinking is becoming more multi-directional as new global challenges emerge and the supply of public goods – and the risks posed by public "bads" – become more global in character with the international community searching for better ways to address macroeconomic, social and environmental imbalances, as well as insecurity. This infers a need to consolidate a growing number of different agendas. Each actor should consider the possible options to best engage in the process, including the DAC and its members.

3. "We are all in this together": In this context of globalisation of problems on the one hand, and growing heterogeneity of countries and interests on the other, it is all the more important to work together, for DAC members among themselves and with other partners, to reach an agreement on a post-2015 framework. DAC members have emphasised repeatedly that, in order to be successful, the needs and views of developing countries must figure highly, and truly participatory, global discussions will be critical. It will be important to recognise the differences among stakeholders with their different roles, commitments, and approaches. In doing so, however, it will be important that a future framework reflect the reality of today's world, without perpetuating the notion of a North-South divide that would go against the idea of a truly joint effort. Post-2015 goals, therefore, could start from the renewed statement that "we are all in this together", that obstacles to development need to be addressed in all countries and that all can contribute solutions. It will be important that development goals reflect challenges that concern all countries, so that a truly global framework that implies responsibilities can be developed through joint and/or co-operative approaches. This would require more than ever whole-of-government approaches to development challenges.

4. A UN process: The DAC welcomes and fully supports the country-driven process taking place under the auspices of the UN. The first report by the UN System Task Team on the Post-2015 UN Development Agenda entitled "Realizing the future we want for all" published in July 2012 alludes to "the transformative power of global goals" and proposes a vision of people-centred, inclusive and sustainable development. Whereas much remains to be clarified, this initial piece enumerates the following contours for a post-2015 UN development agenda: three fundamental principles (human rights, equality and sustainability) and four core dimensions (see paragraph 8) with corresponding "enablers", which will

contribute to coherence among policies at different levels. The High Level Panel (HLP) of Eminent Persons on the Post-2015 Development Agenda has agreed so far to complete unfinished MDG business beyond 2015 and to keep focusing on poverty ("the central anchor") while "taking on board the new challenges that have arisen" (i.a. sustainability, the importance of inclusive growth and productive capacity, conflict, gender equality and women's empowerment, and global partnerships).

5.        As thinking evolves, to advance on the Post-2015 development agenda, it will be important to recall the importance of goals. "Goals help define the vision," states *Shaping the 21st Century*, the seminal DAC report from 1996. "We believe that a few specific goals will help to clarify the vision of a higher quality of life for all people, and will provide guideposts against which progress toward that vision can be measured" (op.cit.). Against the background "of the many targets discussed and agreed at international fora", the report stated that it is "time to select" by proposing "ambitious but realisable goals" coupled with indicators of success by which efforts can be judged (op.cit. p.2). Today, the DAC could recall the fundamental importance of the vision, targets and political momentum that a goals framework can bring going forward -- and play a different role as a major contributor to the broader international process and supporter of an inclusive and country-driven process, which includes poor peoples' voices, and especially those of women and girls.

6.        Accelerating progress in the lead-up to 2015: Two years remain to achieve the MDGs by 2015. The Millennium Declaration and the MDGs have rallied the global community behind a common development vision. Most agree that the MDGs have been effective in mobilising worldwide awareness, leveraging resources, guiding global development efforts, and monitoring progress and increasing accountability. The DAC members remain committed to the commitments enshrined in the MDGs and the underlying Millennium Declaration, including its four dimensions: "1. peace, security and disarmament; 2. development and poverty eradication; 3. protecting our common environment; 4. human rights, democracy and good governance". Progress thus far has been highly uneven across goals, countries and regions and much remains to be done now in order to achieve the MDGs, especially in conflict and post-conflict countries. One key criticism has been the lack of progress on MDG 8. While the targets, as defined under MDG8, are not measurable objectively, there are clear signals that developing countries will argue very strongly for retaining goals and targets that relate to policy coherence in high-income countries. This will require continued work on Policy Coherence for Development issues. The DAC could contribute to this, and send an important signal about the sustained commitment to making progress on MDG8, by sustained engagement on key PCD issues. Moreover, reflecting its mandate, responsibilities and comparative advantage, the DAC might study how follow-up commitments to MDG8 could be defined as a framework and with more measurable targets related to concrete development results.

7.        DAC members fully support country ownership and leadership and will keep this at the fore in the few years to come. It is important to acknowledge the results achieved by specific, focused global programmes and funds which are tackling global public "bads". At the same time, there is an urgent need to improve synergies between development partners, including bilateral and multilateral organisations as well as civil society and the private sector -- and to ensure that their action is complementary rather than overlapping. As DAC members have been involved in the creation of several new global initiatives, funds and programmes, they have a specific responsibility to respect country leadership, to ensure alignment to countries' priorities and the use of country systems.

## II. WAYS IN WHICH THE DAC AND ITS MEMBERS COULD POTENTIALLY CONTRIBUTE TO THE POST-2015 AGENDA AND FRAMEWORK

### ...IN TERMS OF SUBSTANCE

8.      <u>A holistic approach including four dimensions</u>: Evolving debates in the UN System Task Team on the Post-2015 UN Development Agenda and the TOR for the HLP suggest that a holistic and coherent approach would include the following four core dimensions: the pillars of the sustainable development concept - (*i*) inclusive social development, (*ii*) inclusive economic development, *(iii)* environmental sustainability - and *(iv)* peace and security - and include gender equality and women's empowerment as cross-cutting challenge. The post-2015 framework should encompass both the "poverty agenda" as embedded in the MDGs, as well as sustainable development and the shaping of Sustainable Development Goals (SDGs), resulting in one comprehensive and coherent agenda with one set of goals.

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**Informing the Emerging Debate:**
**Improving the Evidence Base and Measurement Capacity**

<u>Inclusive social development</u>: Impressive progress has been made in terms of <u>poverty reduction</u>**,** but huge challenges remain. The post-2015 agenda and goals may maintain the focus on poverty, meaning first and foremost to reduce it ("going to zero") in absolute terms, i.e. the number of people living below the USD 1.25-per-day poverty line. It might also go beyond this and take on board commitments to reduce the number of people living below the USD 2-per-day poverty line, along with reducing relative poverty and inequality. The latter would likely require going beyond income poverty to include other measures, such as for example the Multidimensional Poverty Index and other non-revenue measures. Directly related to this, <u>inequality</u> – i.a. in terms of gender - is growing in many countries.  As a consequence, the post-2015 goals could tackle inequalities alongside poverty reduction. Different approaches to dealing with inequality could be further explored (MDG 1B "poverty gap ratio", GINI coefficient, relative poverty, income distribution indicators etc.) to infuse the post-2015 goals with appropriate indicators to monitor inequality and to devise sound policies in important areas such as gender inequality.

<u>Inclusive economic development</u>: Inclusive economic development requires sustainable patterns of production and consumption. Inclusiveness is broader than just the pro-poor focus, applies universally to all countries, and focuses not only on those defined as poor but also on vulnerable populations. More inclusive economic development could enable an adequate generation of productive employment and decent work, reduction of poverty and inequalities, low-carbon as well as resource-and-waste-efficient economic growth and welfare. The <u>well-being</u> of people was the essence of the initial MDGs, and progress has been made. The 4th OECD World Forum held in New Delhi in October 2012 revealed that countries around the world now agree on the need to measure progress beyond GDP, income poverty and material well-being. Post-2015 goals could continue measuring income poverty and material well-being while incorporating a broader notion of well-being in the narrative. Several quality of life measures could be considered in close cooperation with other IOs working on these issues such as the World Bank, UNDP, UNEP and of course the UN statistics commission. The DAC and the OECD may have added value in this area.

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Environmental sustainability: There is a dire need to contribute to new economic thinking on inclusive and green growth. The single most important challenge will probably be to integrate the sustainability agenda emerging from the 2012 Rio+20 Summit into the post-2015 agenda. This was requested by the Rio+20 Outcome Document, in order to develop a global economy that allows developing countries to grow, while ensuring that natural assets continue to provide the resources and environmental services on which well-being relies. The Inclusive Wealth Index published by UNU/IHDP/UNEP in June of this year could be helpful in reorienting and monitoring macroeconomic policies to make them more sustainable. Yet facing the challenge means a whole new philosophy and practice of global responsibility, including new consumption behaviour and life styles, climate-friendly transformation of economies, new regulatory policies at the local, national and global level, investments in climate friendly energies, as well as new production schemes. First and foremost, the challenge is to reconcile economic growth and environmental sustainability: this is what the green growth agenda is about.

Peace and security: Violence, i.e. lack of security, threatens all forms of developmental progress. There appears to be momentum towards a consensus that it needs to be specifically addressed (as was done in the Millennium Declaration). Yet, despite 38% of ODA being spent in states experiencing conflict and fragility, no low-income fragile state is on track to meet any of the MDGs by 2015 (as monitored by the UN). Fragile states' governments - through the g7+ - are increasingly critical of the MDGs, as they do not address the core causes of fragility related to political participation, security and justice. In Busan, this thinking materialised through the agreement upon five Peacebuilding and Statebuilding Goals (PSG). These goals and associated indicators could provide important insights and input to the post-2015 debate.

An education goal including a universal learning metric: An education goal that includes a focus on learning could present the international community with a solution to the major challenge of identifying, developing and agreeing upon how to better measure learning. With its experience of designing and implementing PISA since 2000, the OECD is well-placed to contribute. The DAC and the Education Committee have started working, in close co-operation with relevant UN organisations and initiatives, on a new initiative "PISA for development" which could feed into a universal learning metric for a post-2015 education goal.

9.      In order to learn from the deficits of the current MDG-framework, approaches at national and international levels (i.e. the idea of two-layered approach -- to be further investigated in the years to come) could help to meet both requirements of in-country relevance and cross-country comparability. This would also help to inform, and thus improve, policies and to increase policy space - as requested and agreed at the MDG+10 HLM in 2010 - and accountability.

10.     Experience suggests that post-2015 goals need to be supported by appropriate targets and indicators. While indicators supporting global goals should assure cross-country comparability to the greatest extent possible, measuring progress within a country may be more important for assessing actual progress than universal comparability. Within-country indicators could also capture regional discrepancies in countries, which are often causes of conflict. Several factors are important in considering the choice of indicators, notably: the availability and timeliness of data, statistical capacity to monitor and track progress, the need for gender-specific targets and disaggregated indicators by sex wherever relevant, and the possibility of establishing accountability mechanisms right from the beginning.

11.     Many actors will be required to contribute to shaping the post-2015 development agenda, and the OECD and the DAC (among others) could be called upon to provide expertise and experience in measuring results. Having measurable goals, which make empirical sense, is of utmost importance. In this regard, the DAC might wish to recommend strengthening support for statistical capacities of countries as for example through PARIS21 -- ("Partnership in Statistics for Development in the 21st Century"), a partnership of data users and producers whose Secretariat is hosted within the OECD --and propose that a

post-2015 framework should include a <u>performance index</u> to better measure countries' progress in achieving goals (see Klasen 2012 for more details) and an additional goal, target and indicator concerning the capacity of countries to measure progress. As experienced in the past, setting goals without having adequate targets and indicators on the one hand and the appropriate data and a statistical system in place to track progress on the other, not only renders many of the goals useless, but may even be counterproductive to working effectively towards their achievement.

### ...IN TERMS OF COMMITMENTS

12.      DAC members might agree to live up to the commitments made and to come to the UNGA 2015 with new ones. DAC member commitments could potentially *i.a.* include the following:

- Further work on "development enablers";

- Contributions to a broader financing for development approach (beyond ODA approach), including work to be done on the definition and role/added value of ODA in this more complex development finance agenda. (see separate HLM issues paper);

- Progress in implementation of the Global Partnership for Effective Development Co-operation and other initiatives launched in Busan; and

- Identification (through further evidence-based research on what works) and implementation of win-win approaches to global policies and "co-benefits" of global public goods.

13.      DAC members might consider further work on these commitments in order to be able to bring related deliverables to the UNGA 2015.

14.      <u>Development enablers</u>: Further work is needed to clarify how the development enablers identified by the UN System Task Team on the Post-2015 agenda will feed into the post-2015 agenda and how possible monitoring, evaluation and reporting mechanisms might link to these enablers. The DAC may consider providing expertise where it has a comparative advantage on some of the issues the UNTT has identified (see the UN System TT on the Post-2015 UN Development Agenda: Realizing the future we want for all, New York 2012, p.24).

15.      The Global Partnership for Effective Development Co-operation is contributing to paving the way to a post-2015 world in terms of the "how" of international development cooperation. Last year's Fourth High-Level Forum on Aid Effectiveness held in Busan, Korea laid the foundations for a new, inclusive approach to improving development partnerships, and its outcome document was endorsed by 160 nations, international organisations, civil society and the private sector. The DAC has played a critical role in the work that led to the creation of the Global Partnership for Effective Development Co-operation. The Global Partnership is promoting convergence between processes focusing on development outcomes and global development partnerships -- and thus is an important piece of the puzzle in achieving development goals. As a truly inclusive partnership for development, it represents a tangible contribution to the realisation of the MDGs by providing a new political platform for bringing the "what to achieve" closer to the "how to do it". This is all the more important as MDG8 ("Global Partnership for Development") has been one of the most challenging goals to implement meaningfully – in part because it is diffuse, and does not have a natural constituency or coalition to drive progress. DAC could commit to work with others – including through the Global Partnership for Effective Development Co-operation -- with a view to informing a potential successor to MDG8. Such a framework on the "how to" of development co-operation could see the DAC both reaffirming its commitments on ODA as one part of the broader co-operation agenda, working with others to improve co-operation on a range of policies, and catalysing resources beyond ODA.

16.     <u>Global challenges, global governance, global policies:</u> Given the global challenges mentioned before, the DAC could possibly be mandated to identify and to explore potential win-win approaches of different policies in areas where the DAC has a comparative advantage (such as, for example, climate change, green growth, peace and security). The DAC members could also perhaps help identify "co-benefits" of the provision of Global Public Goods (GPGs)  - and negative impacts of global "bads" - in order to live up to global challenges and to make (at least incremental) progress in terms of PCD, global policies and global governance. The DAC and the OECD have done and will continue doing important work on PCD in the effort to contribute to global development. The DAC and the OECD at large are well-placed to provide policy guidance through evidence-based research on what works in reality. The Global Partnership for Effective Development Cooperation and the other partnerships and initiatives agreed in Busan may offer an avenue to  sound out broader interest, buy-in and future directions.