

European Commission Public Consultation: Towards a post-2015 development framework

Written contribution by the European Centre for Development Policy Management, September 2012¹

About this document:

This document was drafted by the European Centre for Development Policy Management (ECDPM) as a written contribution to the European Commission's Public Consultation titled 'Towards a post-2015 development framework'. The contribution presents the ECDPM's analysis and findings from past research projects in relation to the four aspects of the debate on the post-2015 development agenda, following the order of the European Commission's consultation document:

- A. The MDGs: benefits and limitations
- B. Feasibility of a future framework
- C. The potential scope of a future framework
- D. The potential shape of a future framework

Together with the Overseas Development Institute and the German Development Institute, the ECDPM is also involved in drafting the 2013 European Report on Development (ERD), entitled "Development in a Changing World: Elements for a Post-2015 Global Agenda". The research for this report is currently underway and the report will be completed in project 2013, after which it can play a role in informing further research and policy discussions on a post-2015 development framework. More information and earlier editions of the ERD can be found here: http://www.erd-report.eu/erd/index.html

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A. The MDGs: benefits and limitations

The MDGs have played an important role in communicating priorities and mobilising public and private development finance during the previous and current decade. For all the problems associated with the MDGs it should not be forgotten that the lack of consensus and significant fragmentation, ambiguity, and lack of direction that existed before their introduction with a vague 'sustainable development agenda' that was detrimental to development.

The MDGs were undoubtedly of strong influence during the formulation of the proposed 'Treaty Establishing a Constitution for Europe' in 2004 that defined the primary objective of the Union's development cooperation policy as "the reduction and, in the long term, the eradication of poverty." This formulation remained unchanged in the Lisbon Treaty that entered into force in December 2009 and currently provides the legal basis for European development cooperation.

In 1996 an OECD DAC report was published titled "Shaping the 21st Century: The Contribution of Development Co-operation" that created the International Development Goals, which in turn reflected a range of goals previously discussed and set up by international development conferences. These International Development Goals were subsequently discussed, refined and operationalised with indicators in expert group meetings jointly sponsored by the OECD, United Nations, and the World Bank.² The formulation of the MDGs was thus strongly influenced by organisations where developed countries lead decision-making.

In addition to the three main criticisms put forward by the Commission on page 4 of the consultation document, another important shortcoming of the MDGs has been that the formulation of the MDGs has been largely driven by international organisations and – even though adopted by the largest number of Heads of State ever present at a UN meeting – has not been led by these states and has in particular not been influenced to a great extent by developing countries. Although many developing countries subsequently prioritised the achievement of the MDGs in their national development plans, it has been suggested that this was mainly seen by these governments as a condition to gain access to Official Development Assistance and not because they felt the MDGs reflected their countries' key development priorities. This is for instance shown by the rather mixed picture of developing countries' performance in making their national budgets more 'propoor' and focused on the MDGs.³

Another important gap of the MDG framework is that it helped to reinforce an at that time inadequate and today invalid distinction of the world's nations into 'developed countries'

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² Karver, J., Kenny, C., Sumner, A. (2012) MDGs 2.0: What Goals, Targets and Timeframe? Brighton: Institute for Development Studies Working Paper 398

³ As reported in this seminar: http://www.odi.org.uk/events/docs/4911.pdf

and 'developing countries' and gave a central role to Official Development Assistance (ODA) for helping realise the MDGs. The world was changing at the time when the MDGs were formulated, and especially so during the two decades after they were adopted. In recent years, ODA (\$133bn in 2011) has been outgrown by remittance flows from migrants to developing countries (\$327bn in 2011) as well as net equity inflows to developing countries (\$571bn in 2010). On top of that, emerging donors, such as Brazil or China, are increasing investments in south-south co-operation, without reporting them to the OECD as official ODA. As a result ODA can no longer be seen as the central instrument to promote international development, and as a result no longer be the single measure of accountability of countries' contribution towards this objective.

Another shortcoming of the MDG framework was of a more conceptual nature, in that it almost exclusively presented a 'human development' perspective on development and de-emphasised or excluded other dimensions. In this regard the recent UN Task Team Report has recommended that the key strengths of the MDGs should be retained and reorganised along four key dimensions of a more holistic approach: (1) inclusive social development; (2) inclusive economic development; (3) environmental sustainability; and (4) peace and security. Besides a more holistic approach, we find it needs to be emphasized more that these different dimensions (and actions relating to them) are sufficiently connected, so that the different 'situations of stability' within a country or region are well connected. Indeed it has been already concluded by donors and a collection of developing countries that in fragile situations that the MDGs are in themselves a counterproductive framework a perspective which we share. Therefore different Peacebuilding and Statebuilding Goals (PSG) have been developed, articulated and agreed in these settings.

Finally, although the Millennium Development Goals were linked to the Millennium Declaration, the latter had what the former lacked by stressing the inherently political nature of global development: "the central challenge we face today is to ensure that globalization becomes a positive force for all the world's people. For while globalization offers great opportunities, at present its benefits are very unevenly shared, while its costs are unevenly distributed." The goals required consensus of all UN members, which was why some of the more controversial matters were not included in the MDGs (e.g. migration, reproductive health) or were not made sufficiently explicit to promote change (i.e. the inadequate specification of MDG 8).

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⁴ UN Task Team on the Post-2015 UN Development Agenda (2012) Realizing the future we want for all. Report to the Secretary General. New York: UN

⁵ The EU itself has endorsed the International Dialogue on Peacebuilding and Statebuilding New Deal for Engagement in Fragile States (see http://www.oecd.org/international%20dialogue/49151944.pdf) in the Communication on the Agenda for Change - 13.10.2011 COM(2011) 637 final and –Foreign Affairs Council Conclusions - Increasing the Impact of EU Development Policy: an Agenda for Change - 3166th, Meeting, 14th of May 2012 http://www.consilium.europa.eu/uedocs/cms Data/docs/pressdata/EN/foraff/130243.pdf

⁶ http://www.un.org/millennium/declaration/ares552e.htm/

In order to ensure that a post-2015 MDG framework will respond to these gaps, efforts need to be made to ensure it is better guided by the central challenge for global development as formulated by the UN Millennium Declaration. This may require a different look at and process for formulating goals under a new framework, as discussed below.

B. Feasibility of a future framework

Recent research projects conducted by the ECDPM lead to a conclusion that the potential advantages of having a post-MDG framework (such as the ones formulated in the EC consultation document) outweigh the disadvantages of not having one. As the EC consultation document argues correctly, most feasibility challenges for a future framework are of a political and not of a technical nature.⁷

The consultation further points to a plethora of frameworks, initiatives, agreements and documents that guide international actors to deliver cooperation and work on global challenges. A particular added value for a future framework could be to bring all these different commitments and ideas together, and most importantly provide an opportunity for UN members to reconfirm their commitment to the UN Millennium Declaration and avoid that the Declaration becomes lost in a cacophony of existing and new declarations and statements.

A particular challenge to the political feasibility that is not alluded to in the consultation document is the agreement reached in Rio+20 to convene an open working group before the 67th UNGA on 18 September 2012 to develop a set of Sustainable Development Goals. This open working group should report to the 68th UNGA in 2013 and although the Rio+20 outcome document stresses that their work should be coordinated and coherent with the preparations for a post-2015 framework, the fact of the matter is that there will be two intensive consultation processes conducted in parallel. The feasibility of a future framework could be improved if states would agree on means to merge the SDGs and MDGs and as such bring environmental and development objectives under the same umbrella provided by the Millennium Declaration. Even though some critics have warned of a reduced poverty-focus in development cooperation as a result of more collaboration with environmental policy makers, it does seem a more suitable 'development partner' compared to other policy areas that have presented themselves in recent years. The EC consultation document seems to support an integration of the SDGs and MDGs by arguing on page 6 that a future framework should "recognize that political, economic,

http://www.ecdpm.org/Web_ECDPM/Web/Content/Download.nsf/0/6E502CEB0FA7D3E6C1257A090060DA79/\$FILE/Measuring%20PCD%20report%20Volume%201 comb.pdf

⁷ See also:

social and environmental challenges are linked and need to be addressed at the global level."8

C. The potential scope of a future framework

Recent negotiations towards Rio+20 have shown the difficulty of reaching agreement on any degree of concrete operationalisation of the otherwise generally acceptable concept of 'common but differentiated responsibility'. At the same time it is no longer likely that EU member states and other OECD members will meet the input target of providing 0.7% of their Gross National Income in the form of ODA, in spite of the commitment made to achieve this figure as a collective European target in 2015 and this commitment having been reconfirmed in 2012. More importantly though is that, given the trends described above, both the absolute and relative level of ODA are becoming less and less relevant for global development. Exploring ways to modernising reporting on financial contributions to development, such as reporting against a broader aggregate as currently discussed in the OECD/DAC, would also be important in view of the needed clarity on the financing of a post-2015 framework.⁹

The only way for a post-2015 framework to make a difference over the current MDGs is thus not a similar ODA-focus but instead with a much stronger focus on non-aid policies. Ideally it should reflect the understanding of the EU's recent 2012 accountability report that "aid from development partners complements [countries' own domestic resources] and can catalyse other flows, but is in itself not the major element for many developing countries." Ideally, therefore, a post-2015 framework should be the antithesis of the current MDGs and consist of 7 non-aid goals and 1 ODA-oriented goal. Its primary purpose should be guided by the central challenge as formulated in the UN Millennium Declaration, and its scope should be global and expecting appropriate action from all countries. A post-2015 framework should also seek to build on emerging commitments and pockets of consensus on contentious issues such as the progress made on defining and articulating the Peacebuilding and Statebuilding Goals (PSG). 10

In addition to going beyond ODA in terms of covering other policies that affect global development such as trade, intellectual property rights and climate change, a new framework should also seek to go beyond ODA by covering all resources that are relevant to development, e.g. Foreign Direct Investment, remittances, non-ODA eligible

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Spierings, E., (2012) Reporting on Development: ODA and Financing for Development. Study commissioned by The Netherlands Ministry of Foreign Affairs and the German Federal Ministry for Economic Cooperation and Development. Maastricht: ECDPM. http://tinyurl.com/7jv8egf

⁸ http://www.uncsd2012.org/content/documents/727The%20Future%20We%20Want%2019%20June%201230pm.pdf
⁹ A detailed analysis is provided in the following report: Vanheukelom, J., Migliorisi, S., Herrero, A., Keijzer, N.,
Spierings, F., (2012) Reporting on Development: ODA and Financing for Development. Study commissioned by The

¹⁰ There is already a EU commitment from those endorsing the "New Deal for Engagement in Fragile States" to "work towards full consideration of the PSGs in the post-MDG development framework beyond 2015". These specific goals relate to legitimate politics, security, justice, economic foundations, revenues and services.

though non-market based loans, as well as the development investments made by emerging countries and other MICs that are not reported as ODA.

A future framework that does not include the engagement of the fastest growing economies in the world is not worth having. The OECD in turn, and in particular the EU, will however not be able to convince these countries to join based on the quality of their words but on the quality of their actions in terms of making Policy Coherence for Development a reality. Therefore the EU's performance in areas such as breaking out of the impasse of the Economic Partnership Agreements, taking corrective action in EU member state legislations that facilitate capital flight, and reducing agricultural subsidies that distort world market prices is essential for collecting political capital to broker a deal that will benefit global development. It does not increase the EU's political weight for European member states to have legally committed to improving Policy Coherence for Development since 1992 and in 2011 still remaining reluctant to formulate concrete objectives for PCD and fundamentally reform policies such as the Common Agricultural Policy and Common Fisheries Policy.

While the need for further action by the EU is clear, it should also be emphasized that the Millennium Declaration's challenge of making sure that "globalization becomes a positive force for all the world's people" is a challenge that all nations of this world should face and contribute to realizing. Emerging countries in particular have seen years of double-digit economic growth, yet have till date not strongly contributed to take up a leading role in giving shape to binding global solutions for promoting inclusive and sustainable development. Besides their engagement in UN-level policy processes they also share in the disappointing performance of the G20 in promoting global development and strengthening the development dimension of relevant Global Public Goods.

In 2012 ECDPM has completed two studies for the German and Netherlands government on how to modernise reporting on financing for development and how to develop and institutionalise a 'policy coherence for development index'. These studies both indicate that political feasibility issues are more serious than technical feasibility challenges, and the Commission thus has an important role to play in facilitating debate among member states and internationally on these topics – as per its role of promoting development best practice which it is assigned in paragraph 50 of the European Consensus on Development. Importantly, the post-2015 framework is a significant opportunity to promote Policy Coherence for Development in *all* countries, thereby leaving the dichotomy between developed and developing countries behind.

¹¹ It should be noted that emerging economies still prefer to see themselves as 'developing countries' in these kind of settings, and that there is no established convention for the designation of 'developed' and 'developing' countries or areas in the United Nations system. The WTO uses a self-designation system where it is up to each member to declare itself a member of either category.

¹² Reports respectively available at http://tinyurl.com/cl3hswt

¹³ http://ec.europa.eu/development/icenter/repository/european_consensus_2005_en.pdf

As a specific suggestion the EU should make efforts to make sure that the most important gains from the development effectiveness agenda, translated in EU policies and tools such as the EU's operational framework on aid effectiveness¹⁴, are associated or included in a post-2015 framework on development. The Busan Partnership is more than just the next step after Rome, Paris and Accra. It proposes a more inclusive partnership for development, in which effective international cooperation is the key concern. New powers, emerging economies and private sector development actors have joined as partners and there is recognition of the primary role of domestic resources and national and international investments to truly trigger development. While pledging to work to reduce aid dependency, the Busan Declaration confirms the role of development cooperation in catalysing the governmental, private-sector and civil society-led transformations needed for effective development. 15 If these and other important commitments are not translated into a post-2015 framework there is a good chance of the discussions in Paris, Accra and Busan fading into oblivion and international cooperation reverting to projectised modes of management that offer the illusion of increased control and measurable outputs but less transformative, sustainable or meaningful results. 16

The scope (and shape) of the future framework can also be informed by assessments of progress in implementing the provisions of the Millennium Declaration, going beyond the MDGs. While much attention has gone to monitoring the MDGs, delivery on the Millennium Declaration more broadly has been underexposed. Given that the Millennium Declaration remains relevant in many aspects, as is affirmed on page 1 of the EC's consultation document, the current state-of-play of its implementation could usefully guide renewed efforts towards global development and poverty eradication post-2015.

D. The potential shape of a future framework

The EC consultation document presents three options for formulating a post-2015 development framework, providing that a positive decision is taken to have one. Out of these three, the third one that is introduced as 'a new approach to development' seems the one most suitable to encompass all flows and policies that matter for development, including ODA.

At the same time it is also the most ambitious option, and different publications have pointed out that the MDGs were formulated and agreed under much more favourable

¹⁴ http://register.consilium.europa.eu/pdf/en/10/st18/st18239.en10.pdf

¹⁵ For more analysis on Busan refer to: Mackie, J., Goertz, S. and Q. de Roquefeuil. 2011. Questioning Old Certainties: Challenges for Africa-EU relations in 2012 (Policy and Management Insights 3). Maastricht: ECDPM. http://www.ecdpm.org/pmi3

¹⁶ In fact some of the initiatives that aimed to fast-track the MDGs, notably those using so-called 'vertical approaches', proved ineffective precisely because they did not reflect good practice principles for effective aid as set out in the Paris Declaration on Aid Effectiveness.

conditions than today, or as put by Sumner and Tiwari (2010): "the MDGs emerged in a relatively benign/stable/fiscally buoyant period and any framework post-2015 might need to fit to the post-crisis context of periodic/multiple-source crises/instability, and a fiscally and carbon-constrained world"¹⁷

In response to the questions on the shape of a future framework, the recent UN Task Team Report¹⁸ has recommended that the key strengths of the MDGs should be retained and reorganised along four key dimensions of a more holistic approach: (1) inclusive social development; (2) inclusive economic development; (3) environmental sustainability; and (4) peace and security. The Task Team's report further emphasises that a key lesson learnt from the MDGs experience is that "(...) there are no blueprints and that one size does not fit all. Hence, the agenda should leave ample space for national policy design and adaptation to local settings, but be guided by the overall vision and its underlying principles." The primacy of adaptation to different context has reaffirmed in ECDPM's own work and we would strongly endorse this approach. The Task Team further argues that global governance deficits and failure to implement international frameworks have increasingly led countries to seek regional solutions (e.g. in the field of migration). These and other findings of the report, as well as the need for promoting PCD in all countries and at all levels of governance, point to a possibility for the future shape of a potential framework to not mainly concentrate on priority setting and interventions at a national level but also include a focus on prioritising objectives that could be most effectively taken forward at a regional level, with a specific focus on Regional Economic Communities.

In conclusion, a post-2015 framework should be essentially that: a framework that defines what overall development goals are pursued by the international community. Based on these goals, national plans, targets and indicators should be formulated through a participatory process. In fact, the intensive consultations for a post-2015 framework that various organisations have invested in so far in fact needs to continue and intensify if a framework is adopted in the end. Such an endeavour is challenging in both a technical and political sense, but needs to be taken up and possibly some lessons can be drawn from any progress made by then in terms of methodologies used to translate the Busan Partnership for Effective Development Cooperation including the New Deal for Engagement in Fragile States into national plans, as committed to in December 2011. This may also make it more complex to monitor progress at the global level, but development *is* complex and oversimplified approaches to monitoring of the current MDGs have brought misunderstandings that need to be avoided in the future.

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¹⁷ Sumner, A. and Tiwari, M. (2010) 'Global Poverty to 2015 and Beyond: What has been the impact of the MDGs and what are the options for a Post-2015 global framework?' IDS Working Paper 348. Brighton: IDS.

*http://www.undp.org/content/dam/undp/library/Poverty%20Reduction/Realizing%20the%20future%20we%20want.pdf

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