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BACKGROUND NOTE

The Post 2015 Development Framework: Issues, Challenges, Opportunities

HIGH LEVEL SESSION

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Abstract

The current debates on a post-2015 global development framework have produced a variety of proposals, objectives and means to achieve those. Deliberations on a new framework have to be built on lessons learned from the MDGs, and take into account the changing geography of poverty and future trends and challenges. This note gives an overview of where the current debates stand and which are the most pressing issues and challenges when designing a new post-2015 development agenda.

1. Context: MDGs and beyond

With the 2015 deadline of the Millennium Development Goals approaching, debates on a future development framework post 2015 are in full swing. The current debate offers a unique opportunity to take stock of the achievements of the MDGs, review progress, focus on achieving remaining goals and devise priorities, for any successor framework to the MDGs. On the one hand the MDG experiences provide an important basis for a new improved framework. On the other hand a post-2015 development agenda needs to take account of the changing context of poverty and exclusion, a shift to a more multi-polar world as well as current and future trends and challenges.

While the MDGs have been praised for their conciseness, concreteness and focus, the global experience with the goals have also given rise to a number of specific criticisms. The intention of the MDGs was to select clear 'priorities and focus attention on a few key goals and targets as a means to improve development outcomes' (ERD, 2013). Yet, it has been argued that the MDGs strong focus on social issues omitted other issues of key importance to development such as a more transformational agenda. Moreover, the MDGs - by measuring progress towards national averages - did not incentivize a focus on the poorest or the most marginalised, thereby masking inequalities. The original design of the MDG

targets was for them to be achieved globally, and not necessarily individually by each and every country. The misinterpretation and application at the national level has set the bar for some countries unrealistically high, as countries commence from different starting points (Vandemoortele & Delamonica, 2010). With regards to process, the design of the MDGs only received minimal input from developing countries. Not all developing countries took up the MDGs as a framework, with especially Middle Income Countries (MICs) seeing the goals as less relevant to their national development policies (ERD, 2013). Opponents have thus questioned whether development progress is in fact attributable to the MDGs and would not have happened otherwise.

How to tackle poverty and inequality?

An MDG successor framework needs to answer the question, who the remaining poor are and how to reach out to these groups in a new global framework. In the last decade there has been a major shift in global poverty moving from low income to MICs. About three quarters of the world's poor now live in MICs (Sumner, 2012). Poverty is increasingly related to distributional matters with persistent inequalities constituting pressing challenges in national political economies. This should however not distract from tackling poverty in the poorest countries, where rates of poverty incidence is high and poverty gaps large (Sumner and Lawo, 2013, p.11). Today, we also have a better understanding of the multi-faceted and dynamic nature of poverty and exclusion. People move in and out of poverty, while chronic poverty affects the lives of a smaller group (ERD, 2013). Not all dimensions of wellbeing correlate with income or with the dimensions captured by the MDGs (material goods, health, education, etc.), but new areas such as violence and fear, social exclusion, shame and isolation emerge as areas from people's own understanding of poverty (Melamed, 2013).

How to deal with increasingly complex global challenges?

In addition to the locus and nature of poverty, a post-2015 framework may need to take into account the changing contextual factors and growing and shifting development challenges. The consequences of the global financial and economic crisis are likely to influence growth patterns in the world economy during the next years. At the same time an expanding world population, growing urbanization and production and consumption patterns are putting increasing pressure on environmental, social and economic systems. The condition of the environment in the areas of climate change, biodiversity loss and nitrogen concentration in oceans is alarming. Due to the linkages between the environment and poverty reduction and development, a post-2015 framework needs to work towards swiftly reversing current dramatic environmental trends in order to be able to sustain the envisaged development. All this points to the 'urgent need for bolder and more radical approaches to global collective action than the MDGs were able to inspire' (ERD, 2013).

How to involve emerging economies and other players?

With the rise of Brazil, China and India and other state and non-state actors, such as the private sector that plays an important role, the international political context and the global power distribution is also evolving rapidly. New forms of cooperation between poorer countries and emerging economies, referred to as South-South cooperation, offers more opportunities for development support to developing countries. A more complex international picture will make negotiations of a MDG successor framework

more challenging. Yet, an inclusive, transparent and participative process is necessary to ensure buy-in and effective implementation (ERD, 2013).

2. Broadening the vision on development post-2015

The challenges and trends described above point towards the need to go beyond the MDGs, and address several issues to achieving sustainable and more inclusive development. The Millennium Declaration outlining a broader vision of development that includes environmental sustainability, human security, rights and good governance beyond poverty eradication, could provide a good starting point for this. There are a number of areas on which to focus development efforts:

First, **tackling extreme poverty** and achieving those MDG goals that have not been reached by 2015 remains a core task. However, there also needs to be more focus on the inequalities at the social or structural level, which often define extreme poverty (ERD, 2013). Addressing the latter is more challenging and it is not immediately evident how agreements on goals at the global level can address the power struggles and political economy factors underlying issues of distribution and inequality.

Second, eradicating extreme poverty and combatting inequality may not be enough to sustain progress if not combined with an effort to create **economic transformation**. This requires structural transformation of economies, which is predominantly a task for policies at the national level. Yet, a global framework could set goals to create an enabling environment and support countries to transform their economies, through for example supplying funding for infrastructure development and promoting private investment. It will also be necessary to build resilience for countries to help them avoid slipping back, including macro-economic resilience as well as capacity to cope with environmental shocks and other stressors (Sumner and Lawo, 2013).

Third, **environmental aspects** are equally crucial for long-term sustainable poverty reduction. Changes in resource use and consumption patterns are required and it needs to be ensured that economic development and increased wealth do not put further strains on an already harmed environment. The question is whether and how the two traditionally separate agendas of poverty and environmental degradation could be combined in an overall framework post-2015. Internationally, there is a growing movement towards establishing only one single set of post-2015 goals that reflects environmental aspects as well as poverty reduction and development. The post-2015 process will need to strike the balance between addressing the most important issues for sustainable long-term development while not overloading the agenda and producing a long list of good intentions. While all of the above aspects are relevant for human development, decisions need to be made whether they all should be captured within a new framework.

Going beyond the MDGs and including environmental aspects raises three more important issues. The first regards the necessary means and instruments required for a new set of wider goals. A question for debate is whether a post-2015 framework should also focus on means or rather be solely concerned with ends. Linking strategies and means to objectives bears the risk to be overly prescriptive and falling in to the 'one size-fits-all' trap. Yet, achieving a set of goals will require additional resources and policy support. While ODA is an important source of development finance, achieving goals that go beyond the MDGs towards sustainable development require policies that help creating conducive environments for development, and thus a strengthening of policy coherence for development. Global collective action is required, for example in the area of climate change (Melamed, 2013). At the same time middle income

countries with poor populations may increasingly be able to finance their own development through domestic resources and need support in building tax systems.

The second related issue concerns the question to which countries a post-2015 goals should apply. In this context, the term universality has been raised in the debate - yet its exact meaning is not entirely clear. What is clear however, is that addressing the above mentioned challenges will require global goals that apply to all countries having the responsibility to contribute to their achievement. At the same time a post-2015 framework needs to be sufficiently flexible in order to cater for diverse national circumstances and development paths chosen. There needs to be a discussion on what universal coverage precisely means and on the roles and responsibilities to be taken.

Third, negotiating and agreeing on a broader set of goals, including the environment, inequality and different means to achieve them in a more complex international environment will be more contentious and thus politically challenging. There are trade-offs that need to be considered: high ambitions in addressing complex challenges, could potentially lead to deadlocks in negotiations. Yet, being less ambitious and focusing on a narrower poverty eradication agenda with a higher potential to reach agreement may be less effective in addressing the underlying causes of poverty in a comprehensive way as well as other pressing challenges.

It also has to be noted that there has not been much discussion about the kind of international instrument that could exert most traction and lead to changes at the national level. The MDGs were able to mobilise support but it is not entirely clear whether they have been the decisive factor for development improvements. If the aim is to foster policy change for development in a wider set of areas, such as inequality, this is a crucial aspect to consider for a post-2015 framework.

3. Proposals for a post-2015 framework

Several proposals for a post-2015 agenda have already been made, through positions taken by countries, regional communities, the UN and from research and academia.

The UN Task Team for the post-2015 agenda (UN System Task Team, 2012) has argued for a new development agenda based on human rights, equality and sustainability. While retaining the strength of the MDGs as concrete end goals and targets, new goals should address four key dimensions in a holistic approach. These are inclusive (1) social development, (2) inclusive economic development, (3) environmental sustainability and (4) peace and security. To achieve this vision a high degree of global, regional and national policy coherence is necessary. The agenda should include global partnerships with explicit commitments from all countries following the principle of common but differentiated responsibilities. Global partnerships could be mainstreamed under thematic goals in order to strengthen the links between means and goals. In addition a more inclusive and equitable system of global governance should be created and the honouring of commitments should be ensured, according to the UN Task Teams new report on Global Partnerships. The UN High Level Panel on the post-2015 agenda has highlighted in its Bali Communique that a single and coherent post-2015 development agenda should be promoted, which integrates economic growth, social inclusion and environmental sustainability. Global partnerships in various areas ranging from trade, migration, investment to technical exchanges, should be based on the principles of equity, sustainability, shared responsibility and respect for humanity. The protection of the global environment and sustainable production and consumption are emphasized as important corner stones of a post-2015 agenda. In addition the Panel calls for a data revolution that ensures sufficient data for accountability and measuring progress.

Based on the EU Commission's first Communication, the emerging position of the EU emphasizes bringing together the sustainable development and the poverty reduction agenda in a limited set of goals under one framework, which should cover basic human development, drivers for sustainable and inclusive growth, sustainable management of natural resources and peace, security and justice. The African Union Commission and UNECA are also formulating positions reflecting African priorities: Transformation and sustainable growth, educational and technological innovation and promotion of human development have been identified as preliminary goals for a MDG+ type framework. Important development enablers for African countries include enhanced peace and security, human rights, good governance, justice and equality as well as credible participatory processes and strengthened capacity to measure progress and ensure accountability. Asian researchers and experts have emphasized inclusive growth, capacity development and risk mitigation and management to deal with various shocks based on Asian countries' own experience.

All these emerging positions put forward a wider set of objectives than covered by the MDGs and to some degree mention instruments or certain enablers to achieve those. This is enriched by contributions from academia and civil society, which equally emphasize broadening the objectives to either pursue an 'equity' agenda focusing on for example inequalities, human rights, governance, quality aspects and environment protection in the spirit of the Millennium Declaration, or to follow the sustainable development narrative in the spirit of the SDGs. Yet, not all proposals are in favour of such an approach for the post-MDG framework. More pragmatic voices have argued to focus on finishing the job of the MDGs and only minimally change the structure of the goals. Their emphasis has been to achieve the existing goals for all people, as including a multitude of new objectives, would compromise the strength of the MDGs of being limited and easily communicable.

The diverse discussions on what is to replace the MDGs in 2015 show that the international community has learned from the MDGs and has established a more inclusive process. In the two years ahead it needs to seize the opportunity to agree on priorities in order set the world on a new successful development track.

Questions for debate

- 1) How to address the complex and more political underlying causes of poverty while not giving up on the strengths of the MDGs as goals that are clear and easy to communicate?
- 2) What are the most fundamental aspects to be addressed in an post-2015 economic transformation agenda?
- 3) How can a post-2015 agenda drive change and be relevant for national and global policies?
- 4) What role can the EU and its member states play in the design and support of a new post 2015 agenda?

Note: this paper reflects the personal views of the author and does not necessarily represent the views of the Belgian Development Cooperation or the Minister for Development Cooperation.

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