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UNDP POLICY AND PROGRAMME BRIEF

UNDP SUPPORT TO THE IMPLEMENTATION OF THE 2030 AGENDA FOR SUSTAINABLE DEVELOPMENT

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THE MDG ERA

The Millennium Declaration unleashed an unprecedented era of global development cooperation. A compact between developed and developing nations, it focused on addressing poverty, hunger, disease and some environmental issues (MDGs 1–7) in the developing world, while developed countries committed to making the resources (aid, debt relief) and opportunities (trade, technology) available to enable developing countries to achieve those goals (MDG 8).

The foundation for this formulation assumed that large investments in health, education and other social outcomes would unleash a virtuous cycle of growth and development. Achieving the MDGs was not just valuable in itself but also a driver for further development.

This framing was informed by the duality between developed and developing countries that dominated perceptions of development cooperation at the turn of the century — and for considerable time before then. It saw development cooperation as a narrow 'assistance-like' endeavour, similar to social transfers at the national level, where money flows from those better off to the poor. Implementation of the MDGs was largely framed by a simple underlying logic:

1. Determining the requirements needed to meet the MDGs in developing countries;
2. Estimating the gaps between those requirements and existing capacities/resources in developing countries;
3. Mobilizing efforts to fill those gaps through a commitment to action in developing countries and resources from developed countries.

Efforts to implement the MDGs went through three distinct phases.

The global phase (approximately 2000-2005):

When the MDGs were launched in 2001, there were three areas of focus: (i) global costing of the MDGs; (ii) determining how much financing was available domestically; (iii) calling for the financing gap to be met through enhanced Official Development Assistance (ODA). Estimates were circulated at the First International Conference on Financing for Development, held in 2002 in Monterrey (Mexico), of a global financing gap that called for annual ODA to double. Innovative sources of finance and debt relief were also topics of intense discussion at Monterrey. The agenda on aid effectiveness (later development effectiveness) also gained momentum. Around and after Monterrey, several issue-specific funds were created or consolidated: GAVI, The Vaccine Alliance, was launched in 2000, the Global Fund to Fight AIDS, Tuberculosis and Malaria (GFTATM) was established in 2002, and the Global Environmental Facility (GEF) was consolidated as a $3 billion fund, triple the amount allocated when it started in 1991. The global economic context — in the midst of the great moderation marked by robust growth in both developed and developing countries after the 2000/2001 slowdown — was favourable for meeting the financing gap, with issue-specific funds representing a new and appealing channel.

The country-focused and sectoral phase (approximately 2005-2010):

As the first reports on progress towards the MDGs were issued, it became clear that the goals would be met globally, largely due to progress across East Asia since 1990 (the baseline year for the MDG targets). Although the goals were designed to be applied at the global level, many felt that a global picture was not representational enough and embarked on more country-specific and regional analysis. These analyses showed acute challenges to meeting the goals in many low-income and least developed countries (LDCs), in sub-Saharan Africa in particular. The UN Millennium Project, completed in 2005, carried out interventions in 10 different thematic areas. At Gleneagles in 2005, the G8 committed to doubling ODA to Africa by 2010. The focus on Africa continued with the MDG Africa Steering Group, convened by the UN Steering Group in late 2007. The global economic context continued to be favourable for ODA, until the global financial crisis of late 2008 and the ensuing global recession of 2009.

The focus/acceleration phase (approximately 2010 onwards):

The aftermath of the global economic and financial crisis, along with the recurrence of more localized crises (food and fuel price surges, and instability in the Arab world starting in late 2010), brought to the fore the vulnerability to shocks for countries making progress. While global progress towards the MDGs was never really threatened, the possibility of progress being stalled and even reversed became a distinct possibility in some countries and regions. With little time to go until the 2015 MDG target date, efforts shifted towards the poorest and more fragile countries (The New Deal was launched in late 2011; The International Network for Children and Families (INCAF) had already been proposed in 2009), and were particularly focused on the goals and subnational regions that were lagging the most. Yet the environment for mobilizing ODA worsened, with fiscal pressures biting in developed countries that faced the dual challenge of deleveraging and mitigating the impact of the ongoing recession, and the turn towards austerity policies, especially in Europe where some countries entered a debt crisis. While total ODA flows did not fall (except in 2011), there was much more emphasis from donors on accountability, reporting and measurement of results, which reinforced the shift towards focused approaches, concentrated on poor and fragile countries. The search for multipliers also gained strength.

UNDP played a constant and active role throughout these stages. UNDP was a score-keeper for the MDGs and supported countries on national MDG reporting. UNDP housed the UN Millennium Campaign and contributed through the Inter-Agency Expert Group (on MDG indicators) to global monitoring of progress. From 2008 onwards, UNDP and the Department of Economic and Social Affairs (DESA) led a new reporting exercise on MDG 8, that of the MDG Gap Task Force. UNDP served as the secretariat for the Millennium Project, which was then subsumed into UNDP as a support group to Country Offices (the MDG Support Team within the Bureau for Development Policy's Poverty Group). UNDP also served as the secretariat of the MDG Africa Initiative.

In the acceleration phase, UNDP conceived, piloted and rolled out the MDG Acceleration Framework (MAF), to accelerate progress on the MDGs, which was then elevated to the United Nations Development Group (UNDG) and subsequently to the Chief Executive's Board, under the direct supervision of the Secretary-General and in close collaboration with the World Bank.

THE 2030 AGENDA FOR SUSTAINABLE DEVELOPMENT ERA

The duality between developed and developing countries has lost relevance. Fast-growing countries of the south are starting to experience the same challenges as those in the industrialized north, such as non-communicable diseases, and OECD countries face growing problems around inequalities, exclusion and debt. Unsustainable consumption and production patterns are occurring everywhere.

This break in the developed/developing duality has implications for the size and role of 'aid'. The narrative on aid today is that it should only go to very poor or fragile countries, and competes with the pressure of exponentially increasing and multiple humanitarian crises. As countries develop and lift their populations out of extreme income poverty, the world of aid — as defined in this narrative — gets smaller.

Contemporary development challenges extend far beyond this narrow definition. The need for international action and financing on issues including climate change, migration, financial stability, communicable disease control and transnational terrorism is clear. This new strand of financing has been called different names (new public finance, global policy finance, international public finance) based on different conceptual approaches (e.g., global public goods) and analogies (e.g., as national public finance grew to pay for social transfers and public goods over the past century, the same must happen in the future for international purposes). While larger shares of ODA are being allocated to global issue-specific funds such as the GEF, it remains insufficient to meet the scale of the challenges faced. OECD/DAC and beneficiary countries are now grappling with these issues and how to capture these additional financial flows, and the implications for a redefinition of ODA.

While governments are in the driving seat and public finance is at the core of financing for sustainable development, many of the resources to fund the agenda will inevitably come from the private sector. The challenge for governments will be to implement policies that serve to align the larger share of these flows with the Sustainable Development Goals (SDGs). The challenge for the private sector is to move towards inclusive and sustainable business models without undermining profitability. UNDP's experience in helping countries to plan, access, deliver, diversify, scale-up and sequence a variety of international public resources, and combine this with other sources of public and private financing will become even more valuable in the 2030 Agenda for Sustainable Development.

The formulation of the SDGs reflects and reinforces these changing dynamics. Governments have agreed that the SDGs will apply to all countries and all peoples, represent a more integrated set of goals, and cover a broader scope than the MDGs. This reflects an understanding of the close links between natural capital goods and services, societal progress, and sustained growth at the community, national and global levels.

Unsustainable patterns of production and consumption threaten lives and livelihoods for current and future generations.

Many of the agencies of the UNDG have a mandate that is focused explicitly on countries with less capacity and fewer resources; others have a more universal mandate. Given the integrated set of goals and targets, and the fact that many have cross-border drivers, all agencies will have to, to some extent, engage with an analytical frame that is universal in nature, engaging partners in advanced economies and yet focusing action and implementation in LDCs and middle-income countries.

The SDGs formulation process was consultative and bottom-up. As a much more 'legitimate' and participatory process, there was no a priori way of determining a narrower set of goals, and no underlying assumed model (as with the MDGs, which were implicitly based on a poverty trap argument).

The formulation of the SDGs was based on adding to the MDGs those elements that were thought of as being inadequately addressed or missing (environmental sustainability, governance and security, productive sector issues), as reflected in prior intergovernmental processes (particularly Rio+20), recent analytical contributions, national and thematic consultations, and the MY World Survey. UNDP is well equipped to continue this highly participatory approach, engaging with civil society and beyond, and shifting away from a phase of development cooperation characterized as technocratic.

Tran Vinh Nghia, Viet Nam – Fishermen bring in the daily catch; UN Photo

IMPLICATIONS OF THE 2030 SUSTAINABLE DEVELOPMENT AGENDA FOR DEVELOPMENT COOPERATION

There are three fundamental differences between the 2030 Development Agenda and the MDGs, which have a bearing on development cooperation.

First, the 2030 Development Agenda has a much wider scope, going beyond the 'social' goals of the MDGs, taking into full consideration the need for economic, social and environmental sustainability, and thus including a wide range of aspirations, from sustainable modes of production and consumption to peaceful and inclusive societies.

Second, it is a much more ambitious agenda, not content with reducing poverty, but pushes towards its elimination, and with more ambitious targets on health, education, the environment and other aspects.

Third, it is universal, applying to all countries, to all people, with an implicit recognition that international collective action — beyond national policy-making — is required.

From this flows four implications for development cooperation.

1. THE INTEGRATION IMPERATIVE

The breadth of the agenda implies, more than ever, a need to go beyond silos and take an integrated approach to development interventions. With the MDGs, the question was: What are the goals that are lagging the most, what are the gaps, and how can we fill them? With the SDGs, the question becomes: What are the actions that will take us forward more quickly across a broader range of interlinked goals? Gap analysis may bring some value, and sector-specific expertise on each of the goals is still required. But addressing the question requires thinking through the connections and synergies across the goals, and pointing out how actions in one area draw dividends in other. For example, investments in biodiversity