Global partnership for achieving development goals*

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1 Introduction

The objective of developing a Global Partnership for Development is to create an overarching framework built on voluntary alliances that enables global, regional, and national efforts to achieve the Millennium Development Goals. This framework aims to encourage and facilitate inter-governmental cooperation in financial and technical assistance, as well as in policy decision-making and norm-setting. Though it remains a work in progress, the efforts to build this partnership has led to greater cooperation at all levels, and the creation of various multi-stakeholder partnerships that each focus on a specific MDG, contributing to setting goals, monitoring progress, facilitating the implementation of interventions.

Looking at its achievements, it can be said that the Global Partnership has been an effective international effort, but that it has not fulfilled all of its promise. The remaining shortfalls are a call for the international community to strengthen and modernize the Global Partnership for Development yet again as it moves towards a post-2015 development agenda. At the same time, there is a growing tendency for more global cooperation and a growing number of other partnerships with increasingly important roles. In combination with calls for a more ambitious and universal development agenda post-2015, this changing landscape has implications for the design of a more effective Global Partnership. The objective of this paper is to examine how the new actors and the new initiatives have contributed to shaping a Global Partnership for Development (MDG 8), and what lessons, if any, can be useful for the future development agenda post-2015.

This paper will define what is meant by the Global Partnership for Development by explaining its conceptual origins and its evolution, whereby the partnership became “global” to meet the new challenges and opportunities brought by globalization. Section 3 will survey the progress in implementation of MDG 8 and the remaining challenges to the current partnership. Section 4 will discuss the emerging challenges that an effective partnership faces from a more ambitious development agenda, a larger number of actors, and new sources of funding. Section 5 examines the importance for an effective partnership for development within a context of current global governance structure and identifies the challenges to monitor the progress in the Global Partnership and in other partnership initiatives. Section 6 considers how to address the challenges identified in the previous section, and discusses the needs for a renewed, broader and more effective partnership in the post-2015 development agenda. Finally, section 7 summarizes lessons from the MDG experience and their implications as we move to “one universal and transformative agenda for sustainable development, underpinned by rights, and with people and the planet at the centre” (United Nations, 2014e).

2 The origins of partnership for international development

The international community has long used the concept of partnership to promote international development cooperation. Some analysts believe that this concept has originated from the
publication of *Partners in Development* in 1969, the report of the Commission on International Development (Pearson, 1970; United Nations, 2013c). However, the role of the United Nations in leading the practice of partnership for international development cooperation had long predated the publication of *Partners in Development*. For instance, the United Nations General Assembly resolution 198 (III) passed in 1948 marked the beginning of a new era for international development assistance (Stokke, 2009). The resolution recommended that Member States “give further and urgent consideration to the whole problem of economic development of underdeveloped countries in all aspects” (General Assembly Resolution 198(III), 1948; Weiss, Thakur and Ruggie, 2010). In 1949, the United Nations established the Expand Programme for Technical Assistance (EPTA), with the primary objective to “strengthen the economies of underdeveloped countries through the development of industries and agriculture with a view to promoting their economic and political independence in the spirit of the Charter of the United Nations” (ECOSOC Resolution 222(IX), 1949). Under this objective, a number of other United Nations agencies were established in the following decades, and the EPTA was also reorganized into the United Nations Development Programme (UNDP) in 1965.

Meanwhile, the United Nations also recognized that technical assistance to underdeveloped countries should also be accompanied by transfer of financial resources to finance physical investment in these countries. In early 1950s, the Organization initiated a plan to set up a special fund to provide concession loans and grants to finance infrastructure investment in poor countries, but eventually this task was given to the International Development Association (IDA) established in the World Bank Group in early 1960. Also in 1960, the Organization for Economic Co-operation and Development (OECD) set up the Development Assistance Committee (DAC) to facilitate and coordinate consultation among major developed donor countries about assistance to developing countries.

The first official target of Official Development Assistance (ODA) came in 1961, as the United Nations General Assembly declared the 1960s as the UN Development Decade. A target was set for developing countries to achieve annual economic growth of 5 per cent and another target for DAC donor countries to raise 1 per cent of their total national income as development assistance (including private capital flows and ODA) to developing countries. The UN Development Decade of the 1960s identified economic and social development, particularly in developing countries, as a responsibility of all countries, defining the idea of a partnership for development (Stokke, 2009).

Most targets set in the Development Decade were not met; in particular, the target of 1 per cent of the total national income of developed countries in private capital flows and official assistance flows fell short considerably. In 1961, the aggregate financial flows registered 0.84 per cent of combined income of donor countries, but this ratio started to decline in the following years to about 0.6 per cent.
Facing the shortfall in the ODA target specifically, in 1968 the World Bank convoked the Commission on International Development, which produced the report to emphasize the urgency. The report offered two justifications for ODA: a moral reason based on the universally accepted precept that those who are fortunate have the duty to help those who need; and the enlightened self-interest, which indicates that in an interdependent world, improvement in developing countries will also benefit developed countries. The ODA target of 0.7 per cent of donor countries’ national income as proposed by the Commission was adopted by the United Nations as its official ODA target in the second Development Decade for the 1970s, along with a similar strategy as in the first Development Decade.

In the 1980s, the content of the international development partnership underwent significant changes, with the Bretton Woods institutions assuming more prominent roles. Most developing countries, particularly those in Latin America, faced a debt crisis and thus the function of most ODA was altered from supporting development projects to managing debt crises, as well as reforming the economy.

More substantial changes were witnessed in the international development partnership in the 1990s, along with the end of the Cold War. New components were added to the objectives of development assistance, including the promotion of democracy, human rights and good governance (Stokke, 1995; Hewitt and Killick, 1996). In the 1990s, the United Nations convened a number of development Summits. The international agreements made in these Summits required more allocation of ODA towards poverty reduction, education, and children and women, and health. Also in the 1990s, the upsurges of severe intra-state conflicts in the former Yugoslavia and various parts of Africa had also made certain changes in the function of ODA, directing more resources to humanitarian assistance and conflict resolution. Meanwhile, OECD DAC emphasized more on effectiveness of development assistance through policy coherence, namely, ensuring the coherence of macroeconomic, trade and finance policies developed countries adopted towards developing countries.

Despite its evolution, the partnership for international development in the past half a century has in essence entailed developed countries making financial transfers and providing technical assistance to developing countries, to which they also granted trade preferences and accorded “special and differential treatment” in the give and take of global trade negotiations. The offers of assistance were generally accompanied by donor policy advice, often coordinated at country level by the international financial institutions through formal conditionality agreements (United Nations, 2013c). As such, development cooperation has been closely associated with financial assistance, usually concessional.

By the dawn of the new millennium, this model of partnership was showing signs of wear. On the one hand, developed country policy advice in the 1990s seemed to have led many developing countries to unnecessary economic crises. On the other hand, donors increasingly rethought the objectives of their assistance, which focused more and more on pressing social
concerns, such as to work towards the eradication of poverty, promoting gender equality, and achieving universal health and education (Führer, 1996; OECD, 1996). Donors redirected attention away from basic economic activities in developing countries, increasingly leaving it to international private sources to help finance capital formation, in terms of foreign direct investment and sometimes as private financing of public investment.

The Millennium Declaration adopted by the Member States of the United Nations in 2000 provided a great opportunity to revive the partnership for international development. Among the eight MDGs, goal 8 was designed to “develop a global partnership for development”, but it only partially reflected the broader issues. In the framework of the MDG 8, the Global Partnership is an inter-governmental alliance that is expected to be united to achieve six global targets:

Target 8.A: Develop further an open, rule-based, predictable, non-discriminatory trading and financial system;
Target 8.B: Address the special needs of the least developed countries;
Target 8.C: Address the special needs of landlocked developing countries and small-island developing States;
Target 8.D: Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term;
Target 8.E: In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries;
Target 8.F: In cooperation with the private sector, make available the benefits of new technologies, especially information and communications.

The first target calls for developing a global system or systems with the specified desirable properties through the inter-governmental global partnership. The global system for international trade and financing is generally understood as a system of global governance, with explicitly coded global rules and regulations, whose structure is required to have some sort of repetitiveness, accepted rules and capacity to set rules and regulations. Global governance is, thus, not the same as global partnership and has an involuntary nature. However, as building a system of global governance requires cooperation, clearly the Global Partnership (i.e. the inter-governmental alliance of which MDG 8 is a proxy) plays a critical role in creating such global governance system. Goal 8 of the MDGs recognizes this and places the inter-governmental Partnership as a leading means of developing open, rule-based, predictable, non-discriminatory trading and financial system.

The global partnerships in the areas of health and education are true forms of partnership, with voluntary participation of multilateral stakeholders and cooperation around an agreed set of objectives. It is noted that the last two targets call for the cooperation of private-sector stakeholders.

Developing a global partnership for development in MDG 8 thus calls for the creation of an overarching framework for implementation of strategies to ensure sufficient means of achieving
the other MDGs. This chapter calls this partnership the Global Partnership for Development. As stated before, inter-governmental alliance was considered to be the core of the Partnership, but its scope has evolved during the MDG era, reflecting new forms of partnerships, including the participation of the for-profit sector in development partnerships.

In contrast, a broader concept is that of “development cooperation”, which includes any activity, public or private that satisfies four conditions: (i) it is not a result of market forces and profit incentives; (ii) it explicitly supports global development priorities; (iii) it is designed for developing countries; and (iv) it is carried out as a collaboration. Development cooperation activities can fall under any of three categories: (i) financial transfers; (ii) capacity transfer; and (iii) policy action (Alonso and Glennie, forthcoming). There are 26 modalities of action, including: grants, loans, in-kind transfers, policy action, technology transfer, changing global rules, and non-transfer modalities related to hosting refugees and providing scholarships.

The breadth of development cooperation means that it encompasses most of what MDG 8 promotes, but some important differences exist. For example, the Global Partnership for Development envisions an “open, rule-based, predictable, non-discriminatory trading and financial system” as its own goal, without specific attention paid to developing country needs, one of the four essential elements of development cooperation. On the other hand, MDG 8 specifically mentions the needs of LDCs, landlocked developing countries, and small-island developing States, while the needs of developing countries is only dealt with in the context of debt sustainability and access to affordable essential drugs. MDG 8 is thus broader than development cooperation in some areas, and more specific in others.

There is also an important difference between the scope and objective of a Global Partnership for Development, and general “partnerships” as a form of collaboration and cooperation at the global, regional and national level that have been in existence for decades. According to the General Assembly, partnerships are voluntary relationships between various parties in which participants agree to work together for a common purpose or task, and to share risks and responsibilities, resources and benefits (UN System Task Team on the Post-2015 UN Development Agenda, 2013a; General Assembly Resolution 60/215, 2006). These partnerships may not coincide with the targets under MDG 8; they are wider in their scopes beyond economic development and have more general objectives beyond achieving the specific MDGs.
Box 1: MDG 8 transcending from “international” to “global” partnership for development

It is important to note the difference MDG 8 made in rewording “international” partnership to “global” partnership. This change was neither arbitrary nor trivial, but purposive for redefining a new model of partnership to deal with the new challenges and opportunities brought to the world by the ever deepening globalisation at the turn of the new millennium. This change was dictated by the theme of the Report of the Secretary-General, entitled “We the peoples: the role of the United Nations in the twenty-first century” (United Nations, 2000), which was submitted to the United Nations Millennium Summit, with its key suggestions adopted in the Millennium Declaration. As pointed out emphatically in this report, the crux of the world problem at the new millennium was that globalisation had progressively rendered the designs of the post-war multilateral system antiquated, as the post-war institutions were built for an inter-national world, but the world had become global. After delineating a number of changes globalisation had brought in the areas of development and peace to make the world more global than international, the report underscored that responding effectively to this shift is the core institutional challenge for world leaders. In this sense, the rewording from “international” partnership to “global” partnership was indeed considered as an institutional change in the global governance of development cooperation, at least in the concept.

Nevertheless, practice would always lag changes in the concept. ODA flows did not begin to increase right after the launch of the MDGs to reflect the new promise, at least not until another international political impetus generated by Monterrey Consensus of 2002. Governments jointly made a wide range of policy commitments at the International Conference on Financing for Development in Monterrey, Mexico in 2002 (United Nations, 2002), which broadened the scope of MDG 8 in the same spirit.

Afterward, more policy steps were taken by the international community to achieve MDG 8, including the pledges by major providers of ODA at the Gleneagles, Scotland Summit of the Group of 8 in 2005, as well as the intensified international work to increase aid effectiveness led by the DAC. Other efforts included the Multilateral Debt Relief Initiative of 2005 substantially deepened relief made available to a group of heavily indebted poor countries (HIPC); the pledge to strengthen the voice and participation of developing countries in decision making at the IMF and the World Bank; the negotiation to reduce barriers to imports from developing countries; the pragmatic measures developing countries pursued domestically on monetary, fiscal and exchange-rate management, as well as on foreign direct investment and sovereign debt management; and the proposals by interested developed and developing countries for innovative approaches to mobilizing international resources for development.

Source: Authors
3 The role of MDG 8 in achieving development goals

Currently, a number of targets for MDG 8 are close to being achieved. For example, duty-free and quota-free (DFQF) access to developed-country markets has been largely extended for exports from least developed countries. Countries eligible for the HIPC initiative have successfully completed that process and achieved substantial and irrevocable debt relief. However, progress on other targets has been slow, in particular in reaching the pledged volumes of ODA (United Nations, 2015).

The fact that most donors have not yet met their commitment to provide sufficient financial assistance for developing countries in the form of ODA is the most visible of the shortcomings of the Partnership.¹ Not until another international political impetus generated by Monterrey Consensus of 2002 did we observe significant progress. Governments jointly made a range of policy commitments at the International Conference on Financing for Development in Monterrey, Mexico in 2002 (United Nations, 2002), which broadened the scope of MDG 8 in the same spirit. Nonetheless, the shortfalls are significant: had the donors delivered 0.7 per cent of their respective GNI in each of the last 10 years, an additional $2.9 trillion would have been delivered to developing countries during that period.²

Short term events have also conspired against the full realization of the Partnership. The momentum built by the Millennium Declaration and the Monterrey seemed to have tapered off again in the aftermath of the global financial crisis in 2008-2009, which affected the delivery of commitments in areas of market access, access to medicines and technology, and ODA. The 2013 rebound of total ODA hints at a change in the pattern, but the gap between what is needed and what has been delivered remains wide. In efforts to improve access of exports from LDCs to markets in developing countries, there have been some recent gains as tariffs were lowered and agricultural subsidies have declined. The Bali Package of trade negotiations included agreements on trade facilitation, agriculture, specific decisions targeting LDCs, and a monitoring system on special and differential treatment (SDT) provisions, among others.

The progress on lowering the vulnerability of developing countries to external debt has been positive but not sufficient. There has been a general decline in the debt obligations of these

¹ As mentioned above, throughout this chapter we refer to the “Partnership” as the ambition of the eighth MDG goal: to form a Global Partnership for Development. This is to differentiate it from the broader discussion of multi-stakeholder partnerships and of development cooperation. For a more detailed definition, see above and Alonso, José Antonio and Jonathan Glennie (forthcoming), “Development Cooperation and the Post-2015 Agenda: A Scoping Study for the UN Development Cooperation Forum,” United Nations.

² UNDESA own calculations based on OECD-DAC figures for annual ODA disbursement as a share of donor GNI from 2004 to 2013. It is important to note that 0.7 per cent of GNI is not a commitment agreed to by some countries and this figure is meant only as an illustration.
countries over the last decade, but there is also a growing risk of debt vulnerability in the short-term. Greater access to international capital markets by low- and middle-income countries changes the structure of debt and increases the vulnerability of countries’ debt service obligations to depreciation.

There have also been important gains in expanding access to essential medicines in developing countries, particularly HIV treatment therapies. But it is clear that access in developing countries remains insufficient. Prices of generic medicines are still too high for patients in lower income countries, averaging three times higher than international reference prices, and generic medicines remain difficult to find in both public and private facilities.

Finally, access to advanced technologies in developing countries has improved at a fast pace, particularly in mobile telephony, where the growth in penetration has consistently outpaced that of the developed countries. Internet access has also increased at a fast pace, but there are still significant gaps in improving access to advanced technologies between developed and developing countries. Mobile-broadband penetration in developing countries is only one-quarter that of developed countries, and a similar gap exists in fixed-broadband penetration. In addition, broadband prices still remain unaffordable for large segments of the population.

3.1 Mobilizing official development assistance (ODA)

Until the mid-1970s, ODA in absolute terms was stagnant and fell considerably when measured relative to donors’ gross national income. With the exception of a period between 1993 and 1997, the overall trend of total ODA flows has been positive since the 1970s, and was boosted further following the 2001 9/11 terror attacks in the United States when significant amounts of official assistance were disbursed. A significant factor in the decrease in ODA delivery observed in 1993 was a decrease in official flows from the United States. Most notably were the decreases in bilateral grants and in funding to multilateral organizations, as well as a net reduction of concessional loans as new credits lagged behind amortizations. The rapid surge in debt burdens of developing countries in the 1980s and early 1990s led to a commensurate surge in debt forgiveness and rescheduling agreements by the United States and other developed countries in the 1990s. In the United States, official flows were also affected by the political debate in late 1995 that led to a government shutdown and deferred many disbursements (McCormick, 2013).

During the MDG period, ODA flows increased from $84 billion in 2000 to more than $134 billion in 2013 (Figure 1). Among the 28 DAC members, the largest donors in order of volume are the United States, the United Kingdom, Germany, Japan and France. However, only Denmark, Luxembourg, Norway, Sweden and the United Kingdom met the United Nations

\footnote{ODA was measured in 2012 constant US dollar, to factor out inflation and fluctuation in the exchange rates.}
target of 0.7 per cent of their GNI. In 2013, ODA delivery by members of the OECD Development Assistance Committee (DAC) reached a record amount and reversed two consecutive years of falling volumes. Overall aid to LDCs increased by 12.3 percent in 2013 compared to 2012. Total ODA now represents 0.4 per cent of combined DAC donors’ GNI, still significantly below the United Nations target of disbursing 0.7 per cent of donor GNI. Net ODA contributions increased in 17 of the 28 DAC members. Further, while a growing number of other official and private sources are providing concessional development financing, these flows also fell in 2012 (United Nations, 2014d).

Figure 1
Main components of ODA of DAC members, 2000–2013 (billions of 2012 dollars)

![Graph showing main components of ODA of DAC members, 2000–2013](http://stats.oecd.org/index.aspx?datasetcode=ODA_DONOR)

The fact that aid flows increased following the Millennium Declaration is cited as concrete evidence of the impact of the MDGs on development, apart from their influence on the international development discourse (Kenny and Sumner, 2011; Higgins, 2013; Kenny and Dykstra, 2013). In fact, the increase in aid volumes after 2000 largely followed a trend that began before that period as aid budgets were already on the rise. It can be said that the impetus to negotiate the MDGs is a result of the same political and economic background that led to the increase in aid budgets. Nonetheless it can be argued that aid budgets were influenced by the need to meet the MDG promises as the rapid increase in aid commitments that followed the 2005 Gleneagles summit was partly a result of the estimate of funds needed to meet the MDG targets by 2015 (Melamed, 2012, p. 6; Moss, 2010). Regardless of the timing of the shifts noted above, it is clear that the MDGs have become synonymous with development efforts at the international and multilateral level (Aryeetey, and others, 2012; Fukuda-Parr, 2012).

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In addition to the increase in the volume of ODA, there has also been improvement in the conditions of aid, specifically on the degree of autonomy of recipient Governments to select entities to implement aid programmes within their countries. In the least developed countries (LDCs), this “untied” form of aid reached 83 per cent of total bilateral aid disbursed by DACs in 2012, a 2 per cent improvement over 2011 (United Nations, 2014d).

Following the Millennium Declaration and the establishment of the MDGs aid flows became increasingly directed towards the countries that faced some of the greatest development challenges. ODA per capita to low income countries reversed a declining trend since 1990 and increased significantly during the MDG era, from $16 per capita in 2000 to nearly $52 per at the peak in 2011, a 222 per cent increase (Figure 2). This increase matches the renewed international political impetus generated by Monterrey Consensus of 2002, the pledges by major providers of ODA at the Gleneagles Summit in 2005, and the additional debt relief made available to a group of heavily indebted poor countries in 2005. As a result of this trend, the share of LDCs in total ODA disbursements has increased slightly, together with funds not allocated by income, at the expense of the share of ODA to Lower Middle Income Countries. The increased focus of ODA on lower income countries follows the increasing share of African recipients in total ODA.

**Figure 2**
Net ODA received per capita (current US$, 1960-2012)

The global financial crisis and the recessions in the aftermath in developed countries have had considerable impact on the shortfalls in meeting the ODA target, but there are other factors too. The OECD DAC (OECD, 2014a) synthesis of peer reviews between 2012 and 2014 found that the delivery of ODA was significantly influenced by trends in four areas as flows.
Strategic orientations: as development increasingly relates to foreign policy and trade interests, national interest and global public goods have gained importance in defining the ODA agenda. Allocation priorities: though the financial crisis has had a varied impact on ODA delivery, most donors have concentrated their focus geographically and thematically. LDC recipients have seen a decrease in support, despite a continued policy focus on LDCs and fragile states. Organization and management: changes in organization and management structures in donor country institutions, as development and other policies became more closely integrated, led to some difficulty in maintaining a core of development expertise in the organizations. Development effectiveness: despite donor efforts to deliver on development effectiveness commitments, new funding streams and actors are affecting predictability, alignment, use of country systems, and mutual accountability.

For the same reasons that the long term upward trend shown above fails to show a clear cut causality between the Millennium Declaration and an increase in aid, it is difficult to trace a clear relationship between the creation of the MDGs and changes in sectoral allocation of ODA. While there is a clear change in the mix of ODA sector allocations towards social sectors and away from production sectors and economic infrastructure and services, this change started in the 1990s, preceding the MDGs. There is some evidence, however, that in addition to the general shift to social sectors, there has been a move towards the provision of basic education and health services as the MDGs institutionalised the moral imperative of ending poverty and made it an international norm in development (Alonso, Cornia and Vos, 2014; Fukuda-Parr and Hulme, 2011; Melamed, 2012).

In education, a shift in ODA allocation to basic education from secondary and tertiary education, occurred before the Millennium Declaration and remained steady since. On health, ODA for basic health increased from less than 10 percent to 50 percent in 2000. But following the Millennium Declaration, it increased further to 70 percent in seven years, and has remained at that level since. The largest change may have been in the increased focus of national policy on specific issues in health, such as maternal mortality (Alonso and Glennie, forthcoming). The fact that the MDGs are heavily focused on social sectors is not a coincidence since they were written as a reflection of then-current development thinking that already considered social issues to be at their core.
Box 2: The impact of ODA on growth

The trends in ODA delivery before and after the Millennium Declaration are evidence of an increasing focus on mobilizing resources for development, but it says very little as to how effective ODA has been at achieving development outcomes. In fact, there is no consensus as to whether aid is seen as enabling of development or if it actually undermines efforts. Existing empirical evidence points to a very weak relationship between aid and growth, but even this evidence is not definitive (Boone, 1996; Dollar and Burnside, 2000; Rajan and Subramanian, 2008; Kenny and Dykstra, 2013; Bazzi and Bhavnani, 2014). Some studies find a statistically significant relationship, albeit small, supporting the usefulness of cross-country econometrics to reveal the impact of aid. Others argue that the econometric results are fragile and that, even while some of the results are not due to spurious correlations, there are specification issues to contend with and thus causality between aid and growth cannot be clearly determined (Easterly, Levine and Roodman, 2004; Roodman, 2007, 2008; Belke and Wernet, 2015).

A more nuanced analysis makes the case that using “early impact aid” results in a positive correlation between past aid/GDP and current growth. By narrowing the aid variable to only assistance whose impact should be most detectable in a short-period panel, i.e., aid whose impacts on growth arrive quickly, the relationship between aid and growth can be established (Clemens, and others, 2012). But other studies have found that the conclusion that “early impact aid” is predictive of growth is not robust (Roodman, 2014a, 2014b).

One of the reasons why the link between aid and growth has been difficult to observe is that the MDGs have placed the focus on social sectors, as shown above, and have thus missed a fundamental aspect of development: the need to transform a country’s productive capacity (Chang, 2010). As a result, ODA has responded to the MDG’s focus on social sectors by concentrating on health and education and ignoring the production sectors (Martins and Lucci, 2013). There is also evidence that the impact of aid may be associated with a small portion of aid disbursement, and that very targeted spending, particularly in the health sector, has a disproportionate impact. In the case of vaccination, for example, low income countries that are eligible for GAVI support have higher vaccination rates than lower-income countries that do not (Kenny and Dykstra, 2013, p. 11).

Source: Authors

Efforts have been made in the MDG period to improve the “quality” of ODA. For example, the share of grants in ODA has remained high, with the average share of grants in total ODA of OECD standing at 85.4 per cent, compared with the minimum requirement of at least 25 per cent. At the same time, a number of donors have also gradually untied their aid, allowing recipient Governments to freely select the aid programmes of any implementing organizations they wish. However, the share of untied aid by some donors remains low.
Efforts have also been made to improve the “effectiveness” of ODA, as well as development cooperation in general. For example, United Nations Member States decided at the 2005 World Summit to create the Development Cooperation Forum (DCF) to promote greater coherence among the development activities of different development partners. Since 2011, the Global Partnership for Effective Development Cooperation (GPEDC) committed to shifting the focus from aid effectiveness only to a broader concept of effective development cooperation. Both DCF and the GPEDC are aimed at helping recipient Governments strengthen their monitoring, reporting and decision-making systems so as to take full ownership of the development cooperation programmes. Donors, or in a broader sense, providers, would accept the use of country results frameworks and financial management systems to guide and deliver their ODA and other assistance, and recipients would record assistance programmes in national budgets that are vetted by parliaments. Providers would also fully untie their assistance and disburse funds as promised in their forward spending plans. There would be greater transparency and accountability in all phases of development cooperation, including public posting of projects and programmes using a common information standard. Another common feature of the DCF and the GPEDC is the effort to monitor the extent to which donors and recipients implement the policy and operational reforms that they pledged to undertake in order to make development cooperation more effective.

In short, despite some progress in their economic development, many LDCs still depend heavily on ODA as the primary source of external and public financing. ODA still represents over 70 per cent of total external financing in LDCs, as their capacity to attract other forms of external financing remains limited. The median of the ratio of ODA to government revenues, although decreasing, still stood at about 60 per cent for LDCs as a whole. Some studies consider the shortfalls in ODA as one of the major causes for the inadequate progress in the achievement of MDGs in LDCs (UNCTAD, 2014).

3.2 Improving the access of developing countries, especially LDCs, to global markets

The Global Partnership for Development as embodied in MDG goal 8 recognizes that economic growth has a central role in efforts to reach the MDGs and that exports can help promote and sustain economic growth in developing countries if they are supported by an open, rule-based, predictable and non-discriminatory trading system. In fact, one key element in MDG 8 is to promote trade of developing countries by ensuring their equal opportunity in an open, rule-based, predictable and non-discriminatory trading system, with some special and differential treatment (SDT) to LDCs, so that developing countries, and LDCs in particular, can use trade as a vehicle to boost their economic growth and achieve poverty reduction and other MDGs.

Benefiting from the completion of the Uruguay Round in mid-1990s, tariffs in the MDG period continued to decline. Tariffs fell to zero on a substantial number of products, partly owing to the multilateral elimination of tariffs under the MFN. In addition, LDCs increased their exports of dutiable textile and agricultural products in which they had a competitive advantage.
An increasing share of these dutiable products has been gradually incorporated into duty-free schemes. As a result, duty-free access for LDCs has always been higher than for developing countries as a whole.

During the decade following the Uruguay Round, the average tariff applied by developed countries to textile and clothing products from developing countries decreased by 2 and 3 percentage points, respectively, but by only 1 percentage point for agricultural products. From 2005 to 2012, there was an additional point reduction in tariffs applied to agricultural products, but a less significant tariff reduction has been observed for textiles and clothing. LDC exports faced similar conditions in terms of tariff reductions, but the difference in the treatment of agricultural products from 2005 onwards was more marked. In fact, LDC agricultural exports receive the largest preference margin relative to competing products from other developing countries.

However, tariff peaks and tariff escalation remain two impediments to the access of developing countries to the markets of developed countries. Tariff peaks refer to a situation where tariffs on some products are considerably higher than the average tariff, defined as above 15 per cent. For example, over 9 per cent of tariff lines continue to be affected by tariff peaks in OECD countries, with little change over the past decade. Tariff escalation refers to the fact that a country applies a higher tariff rate to products at the later stages of production, thus giving relatively stronger protection to high value-added products in the same category. The difference between tariffs applied on processed agricultural products and those for raw agricultural products remain high in developed countries.

A breakthrough was achieved at the prolonged WTO Doha Round by the end of 2013 in Bali, reaching agreements on trade facilitation, agriculture, a package of decisions related to the LDCs, and a monitoring system on SDT provisions. With respect to the LDC issues, the Bali outcomes are relatively modest. For example, DFQF market access is already contained in MDG 8, and further reaffirmed in the United Nations Istanbul Programme of Action for LDCs. The Bali outcome urged, but did not require, expeditious improvement of DFQF coverage by 2015 for those countries that had not provided DFQF treatment for 97 per cent of tariff lines.

The Bali package is just a small part of the Doha Round. Challenges remain in the implementation of these agreements, and more challenges stand in the way to completion of the entire Doha Round. Meanwhile, the concurrence of two multilateral negotiation processes—the post-2015 development agenda and the WTO Doha Round—presents both a unique challenge and opportunity to strengthen global policy coherence, by linking international trade more closely to sustainable development.

Beyond affording developing countries increased access, it is important that they have the ability to take advantage of that access. Trade preferences create export opportunities that can be used to promote structural transformation and an upgrading of the economic structure to be less reliant on such preferential access. Such transformation must be solidified in a domestic
economy since export opportunities created by trade preferences may prove temporary as preferential tariffs erode either through a general decline in overall tariffs, or as LDC countries graduate from the category. In Mauritius, the end of the Multi-Fibre Arrangement brought the share of textiles and garments in total value added down by 55 per cent from 1999 to just 5.8 per cent in 2012, with a commensurate drop in the share of manufacturing in total value added (UNCTAD, 2014, p. 126).

3.3 Strengthening debt sustainability for developing countries

MDG Goal 8 calls for policies that promote sustainable debt levels for all developing countries, but, in practice, the emphasis has been on the debt situations of heavily indebted poor countries (HIPCs). This is a direct result of the general focus of debt relief on the HIPC and MDRI initiatives, which have substantially alleviated debt burdens in assisted countries and has facilitated their efforts to increase poverty-reducing expenditure. Nonetheless, even as 35 out of 39 HIPC eligible countries have reached the completion point as of May 2014, several HIPC countries are once again at risk of debt distress.

Debt relief under the HIPC and MDRI initiatives has substantially alleviated debt burdens in assisted countries and has facilitated their efforts to increase poverty-reducing expenditures. In 2013, debt service of the HIPCs was, on average, 1.6 per cent of GDP, while poverty-reducing expenditures were 10.4 per cent of GDP. Debt service has declined by half since 2001 (2.8 per cent of GDP), while expenditures on poverty-reducing activities increased by 60 per cent (from 6.5 per cent of GDP in 2001) (IMF, 2013).

External debt of the developing countries as a whole measured only 22.6 per cent of their combined GDP in 2013, a decline of more than 10 percentage points over the past decade, when the ratio measured 33.5 per cent. Middle income countries experienced a consistent decline in their debt ratios, until the 2008 global financial crisis, when the ratios stabilized or increased slightly (Figure 3). The debt situation of low-income-countries deteriorated starting in 2006 when the value of external debt increased by 17.1 per cent and 28 percent in 2006 and 2007 respectively. In the previous four years, the annual increase in the value of debt averaged just 6.3 per cent.
3.4 Making essential medicines more available and affordable for developing countries

There have also been important gains in expanding access to essential medicines in developing countries, particularly HIV treatment therapies. But it is clear that access in developing countries remains insufficient. Prices of generic medicines are still too high for patients in lower income countries, averaging three times higher than international reference prices, and generic medicines remain difficult to find in both public and private facilities.

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5 One such example is the group of countries known as the “small States”. They are a group of small countries that belong to the Commonwealth, a voluntary association of 53 independent states (http://thecommonwealth.org).
The world has made progress in expanding the access of medicines for the poorest countries, and has made strides in combatting non-communicable and acute diseases, but much of this progress has been in increasing access to HIV treatment programmes, including the reduction of prices for anti-retroviral (ARV) treatments. In 2012, 9.7 million people worldwide were accessing ARV therapy. However, international support efforts have focused mainly on low-income countries, leaving middle-income countries with major challenges in accessing these treatments and wide variation in the prices paid. Middle-income countries that have the support of the Global Fund to Fight AIDS, Tuberculosis and Malaria pay prices that are comparable to those paid by low-income countries but other countries continue to pay very high prices for a number of life-saving treatments.

The data on the overall availability and affordability of medicines also paints a mixed picture and access to other essential medicines in developing countries remains insufficient. Between 2007 and 2013, availability of generic medicines in both the public and private sectors of developing countries remained low (55 per cent and 66 per cent of facilities, respectively, on average). Prices of generic medicines also remain relatively high for patients in low- and lower-middle income countries, averaging three times higher than international reference prices. In Tanzania, the availability of the lowest-priced generics remained poor in public and private institutions, while the price patients paid for the medications in public facilities doubled. In Indonesia, the results are better as the availability of generics improved in the public sector at the same time that prices fell 30 per cent. In the private sector, prices fell by 40 per cent, but availability also declined. In the Ukraine, the availability of generics remained high but patient prices increased (United Nations, 2014d).

One of the most important actions of the Global Partnership has been to limit the influence of patents in determining access to essential medicines. Faced with such barriers and prohibitive costs to access essential medicines, countries have opted to, for example, encourage generic products, promote cheaper combinations of medicines, or make use of the flexibilities provided under the Trade-related Aspects of Intellectual Property Rights (TRIPS) Agreement. The TRIPS agreement allows developing countries to decide on how patent protections are managed within their countries. Additionally, pharmaceutical companies can enter voluntary licensing agreements to expand the use of generic medicines in developing countries. LDCs also have the opportunity to use TRIPS to build a viable industrial base for medicines and to overcome various capacity constraints since they have a general extension with respect to implementation of the agreement (except for non-discrimination) until July 2021.

In May 2013, the World Health Assembly endorsed the Global Action Plan for Prevention and Control of Non-communicable Diseases for the period 2013-2020. The plan includes a monitoring framework with nine voluntary global targets. One of the nine targets aims to reach 80 per cent availability of affordable basic technologies and essential medicines required to treat major non-communicable diseases in public and private facilities by 2025. Non-communicable diseases (NCDs)—such as cardiovascular diseases, cancers, chronic respiratory diseases and
diabetes—account for over 60 per cent of deaths worldwide. As NCDs impede social and economic development and are affected by underlying social, economic, political, environmental and cultural factors, United Nations country teams were urged to accelerate the development of multi-sectoral joint programmes on NCDs.

The Joint United Nations Programme on HIV/AIDS (UNAIDS) and the Lancet journal launched the commission “Defeating AIDS—Advancing global health” in May 2013. It will coordinate consultations within regions and with civil society, think tanks and other organizations on strategies to achieve zero new HIV infections, zero discrimination, and zero AIDS-related deaths in the coming decades.

The AU Commission and NEPAD Planning and Coordinating Agency (NPCA), in collaboration with UNAIDS, drafted the “Roadmap on Shared Responsibility and Global Solidarity for AIDS, TB and Malaria Response” in 2012, as a strategy for African-sourced and sustainable action on HIV, malaria and tuberculosis for 2012-2015. The Roadmap canters around 3 pillars: diversified financing, access to affordable and quality-assured medicines, and enhanced leadership and governance.

A group of pharmaceutical companies, together with a range of public and private partners, met in London in 2012 and agreed to accelerate progress toward eliminating or controlling ten neglected tropical diseases. In the “London Declaration on Neglected Tropical Diseases”, all the partners commit to expand current programmes to ensure the necessary supply of medicines and other interventions to treat neglected tropical diseases and to advance research and development through partnerships and provision of funding to develop next generation treatments.

3.5 Increasing access to new technologies for developing countries

Access to advanced technologies in developing countries has improved at a fast pace, particularly in mobile telephony, where the growth in penetration has consistently outpaced that of the developed countries. Internet access has also increased at a fast pace, but there are still significant gaps in improving access to advanced technologies between developed and developing countries. Mobile-broadband penetration in developing countries is only one-quarter that of developed countries, and a similar gap exists in fixed-broadband penetration. In addition, broadband prices still remain unaffordable for large segments of the population.

Since 2001, developing-country access to some advanced technologies highlighted in Goal 8 of the MDGs has increased significantly, though not all gaps with developed countries have narrowed. In mobile-cellular subscriptions, the rate of penetration has increased from 7.9 per 100 inhabitants in 2001 to over 90 in 20014. The increase of 82.3 points is higher than the increase in developed countries (73.7 points) over the same period (Table 1). Access continues to grow at a fast pace and, in 2014, the growth in the rate of penetration in developing countries was twice as high as in developed countries. By the end of 2014, penetration rates of mobile-cellular subscriptions in developing countries will reach 90 per cent, compared to 121 per cent in
developed countries. As a result, the number of mobile-cellular subscriptions in the developing world will account for 78 per cent of the world’s total (United Nations, 2014d).

**Table 1**

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<tbody>
<tr>
<td>Developed</td>
<td>47.1</td>
<td>82.1</td>
<td>113.3</td>
<td>119.2</td>
<td>120.8</td>
<td>73.7</td>
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<tr>
<td>World</td>
<td>15.5</td>
<td>33.9</td>
<td>76.6</td>
<td>93.1</td>
<td>95.5</td>
<td>80.1</td>
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<tr>
<td>Developing</td>
<td>7.9</td>
<td>22.9</td>
<td>68.5</td>
<td>87.6</td>
<td>90.2</td>
<td>82.3</td>
</tr>
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</table>

Source: ITU, World Telecommunication/ICT Indicators database.
Note: The developed/developing country classifications are based on the United Nations M49. Data for 2014 are estimated.

The rate of growth in Internet usage in developing countries is faster than in developed countries, but since the differences in the number of users is so significant, the number of fixed- and mobile-broadband subscriptions in developed countries continues increase relative to those in developing countries. A similar pattern exists in fixed-broadband penetration rates between developed countries and developing countries, with higher percentage growth in developing countries, but higher absolute changes in developed countries (Table 2).

**Table 2**

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<tbody>
<tr>
<td>Mobile-broadband</td>
<td></td>
<td></td>
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<tr>
<td>Developed</td>
<td>18.5</td>
<td>44.7</td>
<td>75.1</td>
<td>83.7</td>
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<td>8.6</td>
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<tr>
<td>World</td>
<td>4.0</td>
<td>11.5</td>
<td>26.7</td>
<td>32.0</td>
<td></td>
<td>5.3</td>
<td>20%</td>
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<tr>
<td>Developing</td>
<td>0.8</td>
<td>4.5</td>
<td>16.8</td>
<td>21.1</td>
<td></td>
<td>4.4</td>
<td>26%</td>
<td></td>
</tr>
<tr>
<td>Fixed (wired)-broadband</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Developed</td>
<td>2.2</td>
<td>12.3</td>
<td>23.5</td>
<td>26.6</td>
<td>27.5</td>
<td>25.3</td>
<td>3%</td>
<td></td>
</tr>
<tr>
<td>World</td>
<td>0.6</td>
<td>3.4</td>
<td>7.6</td>
<td>9.4</td>
<td>9.8</td>
<td>9.2</td>
<td>4%</td>
<td></td>
</tr>
<tr>
<td>Developing</td>
<td>0.2</td>
<td>1.3</td>
<td>4.2</td>
<td>5.8</td>
<td>6.1</td>
<td>5.9</td>
<td>6%</td>
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</tr>
</tbody>
</table>

Note: The developed/developing country classifications are based on the United Nations M49. Data for 2014 are estimated.

In many developing countries, broadband prices still remain unaffordable for large segments of the population, even as prices continue to drop. For mobile telephony, the gap is diminishing, but it still remains significant (Figure 4).
The benefits of providing greater access to technology range from expanding financial inclusion, agricultural extension and technology adoption for small-scale activities, access to market information, diversification and upgrading of production methods. Internet access may be particularly important in providing a wealth of information on production methods. Other examples of potential development impacts of technology include the use of mobile phone apps as business opportunities for entrepreneurs, better communications that open opportunities for exports of services, and the use of 3-D printing for parts and capital equipment (UNCTAD, 2014, p. 129).

Access to know-how for reducing disaster risks has also improved, along with effective mobilization of data and information. The number of countries developing national disaster loss databases continues to grow. For example, 15 Pacific countries have joined efforts to set up a risk transfer facility and the Pacific Catastrophe Risk Assessment and Financing Initiative provide Pacific Island countries with disaster risk modelling and assessment tools. Tools in this regard include regional historical hazard and loss databases; probabilistic hazard models for major hazards, including cyclones, earthquakes and tsunamis; and a comprehensive exposure database. Geospatial information is also an important tool in disaster risk reduction and sustainable development, as demonstrated by the practical application of satellite imagery in extracting detailed elevation data to support approaches to manage natural hazards, such as earthquakes, tsunamis and landslides.
More international initiatives have been taken in recent years to further narrow the gap in access to technologies between developing countries and developed countries, as shown in the following examples.

The International Telecommunications Union (ITU) held its Sixth World Telecommunication Development Conference (WTDC-14) in 2014, at Dubai with the theme “Broadband for Sustainable Development”. The Dubai Declaration and Action Plan include agreements to foster international cooperation on telecommunication and ICT issues; create an enabling environment conducive to ICT development, which furthers the development of ICT networks and relevant applications and services; bridge the standardization gap; build human and institutional capacity, provide data and statistics, promote digital inclusion and provide concentrated assistance to countries in special need; and enhance applications to climate change adaptation and mitigation and disaster management efforts through telecommunications.

Efforts at the United Nations Framework Convention on Climate Change (UNFCCC) Climate Change Conferences in the past two years have also aimed at reaching a universal climate change agreement by 2015, which will entail adoption and adaptation of new as well as standard technologies. Governments also completed work on the Climate Technology Centre and Network (CTCN) so that it can immediately respond to requests from developing countries for advice and assistance on the transfer of technology.

In 2013, with the support of key partners, the World Intellectual Property Organization (WIPO) launched WIPO GREEN, an interactive marketplace that promotes innovation and diffusion of green technologies by connecting technology and service providers with those seeking innovative solutions. In addition, during 2013, there was significant expansion of WIPO Research, which provides access to intellectual property for pharmaceutical compounds, technologies, know-how and data available for research and development for neglected tropical diseases, tuberculosis and malaria.

The ECOSOC Annual Ministerial Review in 2013 was conducted under the theme “Science, technology and innovation (STI) and culture for sustainable development and the MDGs”. It was agreed that tackling extreme poverty, inequality and environmental degradation would draw on innovations from science, technology and culture in the public and private sectors. During the ECOSOC high-level segment, WIPO, along with its partners, Cornell University and INSEAD, launched the Global Innovation Index 2013. The Index allows policymakers to analyse their innovation performance and introduce policies that strengthen their national innovation systems and enhance their capacity to develop, transfer, adapt and disseminate technologies to support sustainable development.

4 Emergence of other partnerships for development cooperation

The challenge of development requires resources that far exceed the funds currently available for such purposes. Concessional financing, particularly Official Development Assistance (ODA), is
an important source of funds for low income countries, given their low levels of domestic savings and limited access to private capital flows. ODA has, until recently, been seen as the main source of funding for development, but it represents less than a third (28 per cent) of the $474 billion in official and private flows disbursed by the DAC countries (OECD, 2014, p. 25). However, in addition to the global partnership for development as defined in MDG 8, a number of different types of partnerships also emerged in the MDG period and contributed to the achievement of MDGs and broad development cooperation. Some of these partnerships involve multi-stakeholders, including Governments, multilateral and regional institutions, foundations, civil society organizations, and for-profit enterprises.

4.1 Partnerships for South-South and triangular development cooperation

The landscape of the world economy has undergone tectonic changes in the MDG period, featuring a significant increase in the size of developing countries. Along with this change, partnerships for South-South development cooperation have also become increasingly important. The South-South development partnerships have promoted significantly trade and foreign direct investment (FDI) flows among developing countries. For example, since 2008, developing countries have exported more to one another than to developed countries.

The concessional flows involved in South-South development partnerships have been increasing to an annual amount about $19 billion (United Nations, 2014a). Driven by official as well as private initiatives, these flows are from a wide diversity of partners, ranging from Governments and international agencies to corporations, civil society organizations and networks acting to protect the disempowered, including women, children and slum dwellers. Infrastructure projects account for an estimated 55 per cent of South-South cooperation flows and over a third of these flows are in support of social sectors. Box 3 shows China’s foreign aid in comparison with OECD ODA flows. Given the large gaps in financing for development in many developing countries, particularly LDCs, the international community is aware that South-South concessional flows can still only play a complementary role to conventional ODA flows.

International organizations, including United Nations agencies, funds and programmes, have been strengthening their support for South-South development partnerships, and in many cases formed triangular development partnerships.

For example, FAO has established a broad trust fund framework agreement with China and works with African partners to scale up the impact of South-South cooperation on food security and nutrition; assure quality production of veterinary vaccines; strengthen networking between agricultural research and training centres in China and Africa; develop aquaculture; and increase the production and use of renewable energy. FAO has other trust fund agreements with Angola, Chad and Nigeria to provide financial resources to secure Brazilian, Vietnamese and Chinese expertise, respectively. FAO trust fund agreement with Angola and the Brazilian Agricultural Research Corporation supports FAO services for agricultural research rehabilitation and
development. Under a cooperation agreement with the Bolivarian Republic of Venezuela, FAO directs South-South cooperation in the fields of safety, nutrition and food sovereignty and poverty reduction in Latin American and Caribbean countries.

Other examples include a number of innovative and inclusive partnerships developed by WIPO to promote access to knowledge and technology in the context of South-South cooperation in the field of intellectual property; The UNEP-China-Africa Cooperation on the Environment partnership provides technical support to African countries to scale up a number of solutions that have proven successful in China, such as dry land agriculture and water treatment, along with numerous similar partnerships.

**Box 3: Comparing China’s foreign assistance and OECD ODA**

As its economy grows rapidly, China has increased its foreign aid to other developing countries. According to the latest data, during the period of 2010-2012, China provided a total of 89.3 billion yuan (or $14.4 billion) as foreign assistance in the form of grants (aid gratis) and concessional loans at low or no interest (Xinhua, 2014). The size of China’s foreign assistance during this period is approximately the same as Norway’s, which ranked the 10th in terms of total ODA among OECD DAC members during 2010-2012. However, the definition of China’s foreign assistance may not be identical to ODA of OECD/DAC.

Grant accounts for 36.2 per cent of China’s total foreign assistance, mainly for recipient countries to build small or medium-sized social welfare projects and fund human resources development cooperation, technical cooperation, material assistance and emergency humanitarian aid. Interest-free loans account for 8.1 per cent, mainly used by recipient countries to construct public facilities. Concessional loans account, excluding interest-free loans, for 55.7 per cent, focusing on financing manufacturing projects and large and medium-sized infrastructure projects in recipient countries.

In terms of distribution of ODA by the income level of recipient countries, 52.1 per cent of China’s foreign assistance went to LDCs, much higher than the average of 35.9 per cent from OECD (figures 1 and 2). In terms of regions, 51.8 per cent of China’s foreign assistance went to Africa, compared with the average of 35.6 per cent from OECD (Figures 3 and 4). In terms of sectors, China’s foreign assistance is focused more on economic infrastructure (44.8 per cent), compared with the average of 22.8 per cent from OECD. In contrast, OECD/DAC ODA is concentrated more on social and public infrastructure (54.1 per cent), compared with 27.6 per cent of China’s assistance (Figures 5 and 6).

When providing foreign assistance, the Chinese authorities emphasize that China adheres to the principles of not imposing any political conditions, not interfering in the internal affairs of the recipient countries and fully respecting their right to independently choosing their own paths and models of development.
Figure 1
Distribution of China's foreign assistance outflows according to the Income Level of Recipient Countries, 2010-2012

Figure 2
Distribution of OECD's ODA flows according to the Income Level of Recipient Countries

Figure 3
Geographical distribution of China's foreign assistance outflows
Multi-stakeholder partnerships and innovative sources of development financing

The United Nations Secretary-General has undertaken a number of initiatives in recent years to focus the attention of public policymakers and private actors around the world on mobilizing additional resources for and actions on some specific MDG targets. The initiatives include Every
Woman Every Child, Sustainable Energy for All, the Global Education First Initiative, Zero Hunger Challenge, the Scaling Up Nutrition Movement, and the Call to Action on Sanitation. These initiatives are highly focused collections of voluntary partnerships involving Governments, multilateral and regional institutions, foundations, civil society organizations and for-profit enterprises, serving to encourage multi-stakeholder collaboration on individual projects and programmes.

For example, Every Woman Every Child, launched during the United Nations MDG Summit in September 2010, is an unprecedented global movement involving more than 300 partners to mobilize international and national action by governments, multilateral organizations, the private sector and civil society to address the major health challenges facing women and children around the world. The movement puts into action the Global Strategy for Women’s and Children’s Health, which presents a roadmap on how to enhance financing, strengthen policy and improve service on the ground for the most vulnerable women and children. More than $40 billion was pledged at the 2010 launch, and numerous partners have made additional and critical financial, policy and service delivery commitments. Some specific actions under this initiative include, for instance, the creation of a Commission on Information and Accountability for Women’s and Children’s Health, co-led by President Kikwete of Tanzania and Prime Minister Harper of Canada; the Commission on Life-saving Commodities for Women and Children, co-led by the President Jonathan of Nigeria and Prime Minister Stoltenberg of Norway; the India Public-Private Partnership to End Child Diarrheal Deaths; strengthened coordination among UNICEF, UNFPA, WHO, the World Bank, UNAIDS, and UN Women (the H4+) to support countries’ implementation of their plans to improve women’s and children’s health.

On a much smaller scale, Girl Up, launched by the United Nations Foundation in September 2010, has evolved into both an advocacy and a fundraising campaign. The Girl Up campaign has mobilized about $2.7 million for adolescent girl empowerment programmes managed and implemented by United Nations agencies in Ethiopia, Guatemala, Liberia and Malawi. In addition to contributions from individuals, the Girl Up campaign has been supported by the Bill and Melinda Gates Foundation, Levi Strauss, Johnson & Johnson, American Express and Caterpillar Inc., among others (United Nations, 2014b).

The shortfalls in ODA target has also led to a search for innovative sources of development financing. Existing innovative development financing (IDF) mechanisms are of three broad types: mechanisms that front-load ODA disbursements by leveraging future ODA flows into other instruments; mechanisms that provide insurance or guarantees to mitigate risk; and mechanisms that incentivizes the private sector to supplement official flows (United Nations, 2012).

The most notable new delivery mechanisms through which funds from innovative sources have been channelled in the area of health are the Global Alliance for Vaccines and Immunisation (GAVI) and the Global Fund for AIDS, Tuberculosis and Malaria. The Global
Fund for AIDS, Tuberculosis and Malaria has provided financial support in more than 140 countries and supports 7.3 million on antiretroviral therapy for AIDS (United Nations, 2012; The Global Fund to fight AIDS, Tuberculosis and Malaria, 2015). The GAVI initiative reported that its program has been instrumental in the prevention of 6 million deaths since its launch in 2000 by supporting immunization against a number of deadly diseases (GAVI, 2015). It also reports over 440 million immunized with its support over the same period. Between 2011 and 2015, GAVI has received $7.3 billion in donor support and has committed $8.7 billion through 2017 in support of vaccination efforts in 73 of the poorest countries in the world. The impact of these efforts is significant, but the full long term socio-economic impact remains unknown as broad population-level effects are typically neglected in evaluations of vaccination.  

Despite their success, the fact that they have vertical structures based on specific diseases or interventions creates some unintended consequences (Sánchez, Julca and Winkel, 2015). Vertical funds do not address health financing gaps directly since they are not channelled to overall health services. The funds may also have adverse impacts on national health systems in recipient countries, and contribute to fragmenting the aid architecture by adding new players and mechanisms (United Nations, 2012, p. 115).

In the area of education, the Global Partnership for Education (GPE) covers 59 developing countries, 28 of which are fragile or conflict affected states. Nearly $4 billion has been allocated for education programs in these countries, and an additional $28.5 billion has been pledged through 2018, mostly through pledges of increased education budgets in the developing countries themselves, but over $2 billion of funds from donor countries have also been promised. As a result, the GPE has been instrumental in supporting the poorest countries increase the number of students enrolled in primary school, reduce the number of out of school children, and increase the completion rate of primary school education. The GPE has also been successful in expanding access to pre-primary education and in making education more accessible to girls (Global Partnership for Education, 2014).

Private organizations have also provided concessional financing. In 2012, total net private grants from non-governmental organizations and other private voluntary agencies, amounted to $29.8 billion, down from $32 billion in 2011. However, it must be noted that the purpose of these grants and their relationship to development vary greatly. One of the most prominent sources of development financing among the private organizations is the Bill and Melinda Gates Foundation, which reports disbursements of about $2.7 billion in 2011 for development, 34 per cent more than in 2010. About two thirds of these flows were directed to Africa. Two thirds of

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6 For additional details on national implementation, see Sánchez, Marco V., Alex Julca and John Winkel (2015), Social policies during the MDG period, WESS 2015 Background Paper, January.
this amount was extended for health purposes in grants, including reproductive health (OECD, 2015, 2013).

5 Global governance and the global partnership for development

An important objective of the Global Partnership for Development is to make the global governance structure more conducive to the provision of global public goods, including the international financial and trade systems, and other international norms. Global governance in economic and social areas features a highly decentralized system made up of many intergovernmental organizations with varied compositions, structures and purposes. Many are part of the United Nations system, including specialized agencies, funds and programmes. Other bodies have also emerged, with a more limited membership, less bureaucracy, but greater flexibility, but that have specialized roles and responsibilities in today’s structure of global governance.7

An emerging part of global governance structure is the ad hoc groupings of countries with common concerns. Since the 1970s, countries have banded in small groupings with common interests. In 1975, six countries joined together to deal with specific global problems that required a more nimble and flexible approach than was possible under the mechanisms of the Bretton Woods institutions and the United Nations.8 The gatherings were initially ad-hoc, but quickly became an annual tradition that remains to this day. The rise of the G-7/8 at first and the current G-20 in global governance has promoted institutional arrangements that are increasingly informal compared to the UN and Bretton Woods institutions that were once the centre of global negotiations. Moreover, the global financial crisis has pushed these institutions to become more involved in crafting policy and monitoring commitments. For example, by forming the Financial Stability Board (FSB) in the aftermath of the global financial crisis, the G-20 created a governance structure with the responsibility over international financial regulatory reform to promote global financial stability through supervision and research (Alexandroff, 2010).

Deepening economic globalization, and increasing migration, trade and capital flows, and climate change and increased activities in the global commons make individual States more susceptible to policies adopted by others. Government policies and international arrangements for collective decision making have not kept pace with these changes. The large number of

7 Notably among these are the Bank for International Settlements (established in 1930), the Organisation for Economic Co-operation and Development (established in 1961), and the International Energy Agency (established in 1974).

8 The original group of six, or G-6, included: France, the United States, the United Kingdom, Germany, Japan, and Italy. Canada was added shortly after and the group became known as the G-7. Russia was eventually added in 1998.
institutions operating at various levels (global, regional, sub-regional) and with such diverse membership and representation is yet another challenge to a well-coordinated global governance system. The rise of the G-x groups (currently the G-20, but also the G77+China, and the many other special interest G-x groups) has had a profound effect on global governance, but the relationship between the G-x group of countries (and its ancillary institutions), on one hand, and the Bretton Woods institutions and the United Nations, on the other, in global governance need not be seen as competitive. In fact, the global financial crisis strengthened the cooperation between the older system of institutions and the emerging organizations and forums, which “had to compete, converge and cooperate with each other as they sought to govern this ever more demanding and globalizing system” (Kirton, 2010). The high level consultations made possible through the G-x process cemented political will for quick action during the crisis and led to deeper integration between Bretton Woods institutions and the G-x ancillary institutions such as the G-20 finance, the FSB, and the Basel Committee (Alexandroff, 2010).

There are also many regional and sub-regional agents dealing with economic governance, each with its own purpose. The strongest regional governance structure and integration systems are found in Europe, the Caribbean, and Western Asia. While most mechanisms in place focus on trade, every region has some form of regional and sub-regional development banks that provide investment, trade and project finance (United Nations, 2011). At the local level of governance, non-governmental organizations (NGOs) and the private sector have an increasingly important role. NGOs place an emphasis on social aspects, human rights, poverty eradication, gender equality and the environment. Independent private organizations, like the World Economic Forum, have become convening powerhouses, bringing together stakeholders for important dialogues and provide resources and expertise on a wide range of issues. The importance of the NGOs and of private organizations is recognized by multilateral actors, including the United Nations system, which holds major multi-stakeholder events that include the participation of the private sector and NGOs (United Nations, 2011).

Despite the proliferation of governance structures and their efforts, some areas of global financial governance remain ineffective or inexistent. Some examples include the coordination of international tax policy, environmental management, international trade, and cross-border migration.

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10 Some examples include the 2002 International Conference on Financing for Development, held in Monterrey, Mexico; the 2002 World Summit on Sustainable Development, held in Johannesburg, South Africa; the 2008 Follow-up International Conference on Financing for Development, held in Doha; and the Global Compact, which has advanced the concept of corporate social responsibility.
5.1 Coordination of tax policy

The ease with which some multinational corporations are able to minimize their tax liability, as well as extent of illicit financial flows both seriously affect tax revenue and undermines revenue mobilization in many countries, particularly LDCs (Ndikumana, 2014). In response, there have been initiatives to better align taxing rights with value creation and real economic activity, as well as efforts to improve transparency and strengthen the national and international regulatory frameworks that encourage responsible corporate and banking practices. The G20/OECD project on base erosion and profit shifting (BEPS) is currently developing suggestions for new national and international tax rules that would aim to counter double non-taxation and aggressive tax planning. The United Nations, through its Committee of Experts on International Cooperation in Tax Matters, currently plays a unique role in considering the policy and administrative aspects of international tax cooperation and their influence on developing countries and their respective tax systems and administrations. The Committee proposes solutions focused on needs and priorities of developing countries, which may ultimately benefit all Member States of the United Nations. Focusing on simpler and easily administered, even if not perfect, solutions to major issues of concern and the possibility of transitional solutions is one way in which the Committee aids developing countries in dealing with aggressive tax planning strategies. One example is the UN Transfer Pricing Manual, which gives practical guidance on profit shifting issues for developing countries.\(^\text{11}\)

The overarching framework to combat corruption, and thus the corruption-related part of illicit financial flows, is the United Nations Convention Against Corruption (UNCAC), which serves as a reference for anti-corruption policies at national and regional level, such as the African Union Convention on Corruption. The OECD Principles on Corporate Governance are also considered global in reach and serves to promote better corporate practices in the area of illicit flows, for example, through the suggestion that related party transactions should be disclosed. Money laundering is addressed by the Financial Action Task Force (FATF).\(^\text{12}\) The Basel Core Principles serve to promote better banking supervision and combat illicit activity through the banking system. Securities regulators in turn have a framework for information exchange and cooperation through the IOSCO Multilateral Memorandum of Understanding.

Progress in the areas of corporate governance and combat against money laundering and illicit activity has been achieved mostly in OECD countries, with no mechanism in place to ensure that developing countries’ interests are considered (UNCTAD, 2014, p. 137). For


\(^{12}\) The FATF comprises 34 member jurisdictions and 2 regional organizations, representing most major financial centers in the world.
example, the G20/OECD BEPS project, while consulting with developing countries, do not offer them a “full seat at the table.” Bilateral efforts such as the Tax Information Exchange Agreements (TIEA) have proliferated in recent years and facilitate the exchange of information to combat tax evasion. However, these TIEAs have flourished mainly among OECD countries\(^\text{13}\) and this limited reach has reduced their effectiveness and have yet to result in lower tax evasion (Ndikumana, 2014).\(^\text{14}\) In addition, multilateral frameworks lack mechanisms of accountability and coordination among parties and, as such, cannot deliver a concerted intervention that delivers a solution to low or no-tax locations.

### 5.2 International trade

Global governance has played the key role in keeping trade open and predictable, and helping at least some developing countries achieve high economic growth, with increasing productivity in the manufacturing sector. But other developing countries have not used the trade system for their advantage and, rather, lost preferential access and faced various binding constraints in their national policy space, as global trade has increasingly become more liberalized.

The issue of continued agricultural subsidies in developed countries remains a fundamental problem, particularly as the products received support are important sources of export revenue for developing countries. Liberalization has not been equitable, reflecting the improving but still unequal distribution of influence in negotiations. The proliferation of bilateral and regional agreements is a boon to liberalization but important differences compared to multilateral agreements—stricter discipline to trade and investment flows, labour and environmental legislation, competition policy, movement of capital, etc.—lead to a fragmentation in trade rules. Currently 35 per cent of world merchandise trade is conducted under these agreements bilateral and regional agreements, and as they gain importance, the influence of the more development friendly WTO rules is reduced. Finally, while the multilateral rules consider the different states

\(^{13}\) In July 2014, the OECD has published a new standard for automatic exchange of financial information. Under this standard, jurisdictions obtain information from their financial institutions and automatically exchange information with other jurisdictions on an annual basis. Over 65 jurisdictions have committed to implement this standard. Many developing countries, however, have not acceded to this standard. See http://www.oecd.org/tax/exchange-of-tax-information/Automatic-Exchange-Financial-Account-Information-Brief.pdf.

\(^{14}\) The Multilateral Convention on Mutual Administrative Assistance in Tax Matters is another multilateral convention that aims at tackling tax evasion and avoidance (see http://www.oecd.org/ctp/exchange-of-tax-information/MAC_Background_Brief_for_Journalists_November_2013.pdf). At the bilateral level, many nations have bilateral double taxation agreements with each other, in which the two taxation authorities exchange information on tax matters.
of development of each country, the WTO does not include features that can support much needed structural change (Cortez and Arda, 2014).

The pre-WTO regime had the provisions that allowed countries to implement structural changes of their economies. Both WTO and its predecessor, the GATT, have recognized the differences among countries through special and differentiated treatments (SDTs) with regard to trade, financial and technical needs for structural changes, depending on their development states, i.e., based on the principle of the CBDR in accordance with their capacities. The current WTO regime, however, has been increasingly “moving towards flexibilities that facilitate the implementation of its rules, rather than [support] structural changes.” (CDP, 2014, p.28) The compulsory licensing and reverse engineering are no longer permitted, and performance-related requirements, such as local contents and trade-balancing, are not possible. Copying is now more severely restricted, and the subsidies that aim at supporting a particular industry can be contested if a WTO signatory proves them harmful to its counterpart industry in its economy. All in all, these suggest that the special, differentiated treatments for developing countries have been eroded.

Furthermore, as the activities of transnational corporations (TNCs) have led to the creation of global or regional value chains of production and distribution of goods and services, regional and bilateral trade agreements (RTAs) have proliferated, undermining the principle of most favoured nation and making the global trading system as a whole fragmented and incoherent. RTAs often contain the so-called WTO-plus and WTO-minus provisions—either subjects matters not directly covered by WTO laws (i.e., foreign investment and competition), or the particular provision applies a more stringent standard than that of the relevant WTO rules. In particular, with TNCs operating across countries, transaction costs of their intra-trade can be significantly reduced by harmonizing national laws and regulations with regard to trade and investment of the countries in which subsidiaries of TNCs are located, with those that their headquarters are located—i.e., in developed countries or more advanced developing countries. In these agreements, foreign investment is considered not only as physical investment, but also as intellectual property and financial assets, and subject to legal and contractual rights. When new national laws of the host country are introduced (for environmental or social reasons, for example) after TNCs begin their activities, unanticipated economic damage or additional legal obligations on these corporations, if incurred, are judged to be breach of the contract, demanding compensation from the host country’s Government (Cortez and Arda, 2014). In addition, rules of origin, phytosanitary measures, labelling and other requirements contained in regional and bilateral trade agreements could undermine the coherence with the multilateral agreements as “few RTAs appear to be consistent with the WTO’s requirements in GATT article XXIV”15 that

allows member countries to grant special treatment to one another by creating a free-trade area or custom union with certain conditions.\textsuperscript{16}

It is not clear to what extent the harmonization of national laws and regulations across countries on the basis of those of economically more powerful countries can benefit less powerful countries; RTAs can further restrict policy space, which potential costs are difficult to measure, for the less powerful countries while they can bring more visible benefits to them, at least in the short- to intermediate terms. In view of significant inequality of economic power, there seems to be asymmetries in capabilities among or between the signatories.

It is interesting to point out that the current global trading system has evolved up to the point at which multilateral trade negotiations have stalled. For many developing countries, there is a great deal of concern about the above-mentioned asymmetries in decision-making processes, and about the rules and regulations and their coherence, resulting from such negotiation processes, which do not necessarily help these countries to address development challenges that they face. Furthermore, while the formal equality in terms of decision making is established in the WTO decision making (i.e., one country, one vote), and decisions are taken by consensus, there is another concern about the relative lack of transparency on how consensus is reached. Based on the principles of inclusiveness and transparency (see below), the consensus system should respect the views of developing countries more fully, and decision-making procedure should be built on smaller, issued-based (rather than comprehensive) meetings, in which consensus is achieved among all participating countries with transparent rules.

\section*{5.3 Cross-border migration}

Around 3.2 per cent of the world’s population (about 232 million) were estimated to be migrants in 2013 and contribute to the development of societies of origin and destination. Contrary to the case of international trade, rules that govern cross-border migration have not been liberalized, especially for unskilled workers. Consequently, capital and skilled workers, which move more freely across borders, have benefitted more from globalization than unskilled workers. The restricted movement of labour also appears to conflict with the need of host countries for more workers facing ageing populations and shortage of workers, particularly manual labourers. In this

\footnote{The conditions include that; (1) duties and other trade restrictions would be eliminated on almost all the trade among the participants; (2) internal barriers would be eliminated “within a reasonable length of time” (commonly within 10 years), and; (3) duties and other barriers to imports from nonmember countries would “not on the whole be higher or more restrictive” than those preceding the establishment of the customs union or free-trade association.}

\footnote{pp.267-319, p. 288. Well-known cases of jurisdictional conflicts are the WTO-NAFTA case on tariffs applied by Canada to certain U.S.-origin agricultural products and RTA conflict with the WTO relates to the EU’s preferential arrangements with its former colonies.}
context, international cooperation could do much more than presently to facilitate orderly, safe, regular and responsible migration and mobility of people, including through implementation of planned and well-managed migration policies.

Orderly, safe and regular migration has potential to improve the economic efficiency of the global economy and welfare of people, as in the case of trade in goods and services. As examined in the 2004 edition of the *World Economic and Social Survey*, cross-border migration could be a significant factor in narrowing international inequalities and international wage gaps. A well-known historical case is the mass migration that took place between Europe and the Americas and Australia between 1850 and 1914. In a more contemporary setting, the World Bank has estimated that the efficiency gains of a more liberal regime of migration—through remittances, contributions to production and service provision and effective demand—could be comparable to those that would be materialized from trade liberalization in trade in goods. Remittances, migrant savings, and the transfer of skills and technology may have additional spill-over socioeconomic benefits, beyond the direct welfare gains accrued to migrants through increased income, improved opportunities for better health and education.

Needless to say, migration also entails social and individual costs. Countries of origin bear the cost of loss of human capital of out-migrants, for example, and host countries incur in costs of social service provision, while tax contributions by migrants have often been found to be greater than the costs incurred in host countries. In addition, as the recent economic downturn showed, economic recessions tend to adversely affect migrants more than the native population in terms of employment and wages. Migration policies are, thus, required not only to maximize the benefits of migration, but also to minimize the costs associated with movement of people, both in countries of origin and destination.

### 5.4 The global environment

One of the most challenging tasks for the global partnerships in the post-2015 is to effectively protect the planet’s ecosystems. Environmental sustainability, another area where global governance has proven particularly complicated, is similarly characterized by a weak and fragment global environmental governance structure. There have been some successes, such as

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the Brundtland Commission and the Earth Summit, along with other specific UN sponsored initiatives and summits that spurred environmental awareness and action in specific areas such as the Montreal Protocol on Substances that Deplete the Ozone Layer. With respect to the global commons—resource domains outside the jurisdiction of any country, and to which all nations have access—the existing frameworks are complex and fractured. Many of the older agreements do not fully consider the impacts of human activities on ecosystems and non-target species. Numerous new activities do not have detailed international rules and standards, including bioprospecting, deep-sea fishing, mining and research, hydrocarbon exploration and extraction, carbon sequestration and storage, and ocean fertilization. Moreover, modern conservation principles such as the ecosystem and precautionary approach, and tools such as marine protected areas (MPAs) are not comprehensively incorporated in the frameworks (UNTT Thematic Think Piece, 2013).

Human impacts on the planet’s ecosystems have reached a scale that threatens the long-term prospects for sustainable development of humankind. For example, adverse effects of global climate change and disasters have taken a toll on the decade-long MDG efforts in many developing countries, including in Africa, SIDS and the low-lying coastal countries. Africa’s dependence on climate-sensitive sectors makes it particularly vulnerable to climate hazards, as seen most dramatically in the Sahel and the Horn of Africa. In addition, sea level rise, abnormal weather patterns and increased incidences and scopes of extreme weather events and natural disasters have hampered these countries in their efforts to achieve the MDGs and will continue to impede their endeavour for achieving SDGs in the post-2015. Extreme weather events are also affecting developed countries, forcing them to spend more on relief, rehabilitation, and reconstruction. In addition to climate change, many countries are contending with far-reaching environmental challenges that threaten their livelihoods, such as deforestation, loss of biodiversity, desertification, land degradation, freshwater scarcity, resource depletion and pollution. The planet’s ecosystems that underpin all human economic activity and life in general are under serious stress (United Nations, 2013a).

Several development goals have been proposed to protect the planet’s ecosystems in the post-2015. The unique challenge in protecting the planet’s ecosystems through the global partnerships, in comparison with other SDG issues, such as those discussed in previous sections, stems from their status as public goods and common goods and the various externalities associated with them.

For example, the problem of CO2 emission, which is found to be a key factor for global climate change, involves high degree of externality at least in three dimensions: (1) the externality across individuals, namely, the environmental costs of CO2 emission by a factory are not (or not fully) covered by the factory, but borne by the whole society; (2) the externality across countries, namely, the environmental costs of CO2 emission by a country are not (or not fully) covered the country, but shared by the world; and (3) the externality across generations, namely, the environmental costs of CO2 emission by the current generation are not (or not fully)
covered by this generation, but passed on to future generations. Similar examples can be found for other dimensions of the planet’s ecosystems, such as nature resources and biodiversity. As such, the efforts to reduce CO2 emission or supply of public “bads” detrimental to the ecosystem are usually in substantial shortage at both global and national levels.

Some modest progress has been already made in this respect. For example, developed countries have committed to mobilizing $100 billion per year on climate change alone by 2020 under the UNFCCC, although more efforts are needed to deliver. An effective global partnership, however, is not yet in place to deliver on existing commitments and to generate new sources of funding from both traditional and emerging donors through various forms of financing mechanisms. More importantly, every effort must be made to reach an ambitious and legally-binding climate agreement at the UNFCCC by the end of 2015.

An existing example of multi-stakeholder partnerships in this area is the Sustainable Energy for All initiative, which was launched by UN Secretary-General in 2011, aiming at making sustainable energy for all a reality by 2030. The initiative mobilizes action from all sectors of society in support of three interlinked objectives: providing universal access to modern energy services; doubling the global rate of improvement in energy efficiency; and doubling the share of renewable energy in the global energy mix. The latest progress report of this initiative underscores the need for a comprehensive package of policy measures, including fiscal, financial and economic incentives, phasing out fossil fuel subsidies, and pricing of carbon at the appropriate level. It also noted that energy investments must increase by at least $600 billion each year until 2030.

6  Renewed partnerships for sustainable development in the post-2015 era

The manifestation of various forms of partnerships discussed above reflects the need to deal with the increased and deepened global activities in various aspects of people’s lives in every corner of the world. Increased international trade and cross-border financial transactions are the most well-known cases of globalization, but cross-border movements of people and spread of infectious diseases beyond national borders—the Ebola crisis in West Africa is a strong reminder—and the increasing transnational impacts of climate change are all different aspects of globalization. In essence, global partnerships have been created in an attempt to address each one of these issues, with various forms of cooperative relationships among stakeholders, with different financing mechanisms (UN System Task Team on the Post-2015 UN Development Agenda, 2013a).

The new post-2015 development era is yet another opportunity for the international community to re-shape the global partnership, so as to address present global issues in the economic, social and environmental areas in a more effective and efficient way. For the United Nations, it is an opportune time to further strengthen its role in reshaping the global development partnership, by making global policies coherent with national policies through more explicit
linkages. It is fortunate that the experience of trying to meet the MDGs has left established processes that facilitate connections from global agreements to national plans and to local-level implementation. It is also useful to build upon existing statistical systems and the global understanding of and attention to the challenge of sustainable development.

The implementation of a more ambitious development effort will depend on an effective interaction between global, regional, and national actors, as well as an effective review and follow-up at all levels, but starting at country level and building on existing mechanisms. Depending on the interface between global and national policies, the former can be major contributors—as global enablers—as well as obstacles to national efforts to achieve their development goals, including the MDGs and forthcoming SDGs.

A paper by Sánchez et al. (2015) makes clear the importance of country-level efforts to address the challenges of a universal sustainable development agenda. The implementation experience from the MDG period made it clear that attaining global targets depend in large part on local ownership of the commitments and a reflection of this in national development plans as national targets. National processes are the only ones that can select an appropriate level of ambition for each target based on national circumstances, resources, and priorities. It is also where citizens can demand accountability and provide input, together with private entities and civil society and communities (United Nations, 2013b).

In addition, the UN is expected to play a leading role in designing and implementing a mechanism that monitors and reviews countries’ efforts towards agreed goals and targets. Such mechanism could add credibility to commitments made by member States and international organizations, and provide added incentives for these stakeholders. The UN, as the largest embodiment of a global partnership, can be a powerful apparatus for evaluating visible outcomes out of the Global Partnership and other partnerships by measuring countries’ contributions or the results achieved. Within the UN, the Economic and Social Council (ECOSOC) is at the centre of the UN’s efforts to achieve sustainable development, leading coordination, and implementation of the internationally agreed development goals. Within ECOSOC, development cooperation is tracked on biennial meetings of the Development Cooperation Forum (DCF), where stakeholders from developing and developed countries participate in the review process of development cooperation. The DCF has been instrumental in improving coherence among partners, but is also concerned with linking the normative and operational work of the United Nations.20

The DCF also works in conjunction with the Global Partnership for Effective Development Cooperation (GPEDC) to improve effectiveness and impact of development cooperation and to promote country-ownership of development programs. The key objectives of this cooperation are

to strengthening monitoring, reporting and decision-making systems, and reduce dependency on external donors by mobilizing domestic resources. The model of assistance calls for assistance to be channelled through financial management systems, and for donors to fully untie their assistance and disburse funds based on commitments made. Assistance programmes would be recorded in national budgets, under the oversight of national parliaments (United Nations, 2014d).

The third International Conference on Financing for Development, which will be held in Addis Ababa, Ethiopia, in July 2015, is expected to reach an outcome to support the implementation of the post-2015 development agenda. Building on Monterrey Consensus and Doha outcome, and capturing the broad scope of the post-2015 agenda, the Addis outcome will likely cover large number of policy areas in financing for sustainable development. Just as Monterrey Consensus did with MDG 8, the Addis outcome will share some common elements with SDG17, but the outcome by itself will likely embody a comprehensive development cooperation strategy, including policy actions for developing and developed countries at the national level, as well as in collaboration with the international organizations, in the areas of domestic public finance, domestic and international private finance, international public finance, trade, technology, innovation and capacity building, sovereign debt, and systemic issues. In this regard, the Addis outcome will contribute to the revitalizing and reshaping of the broad global partnerships for sustainable development in post-2015.

Moreover, two other high-level international events scheduled for late 2015 will also have significant influence on defining global partnerships for sustainable development. First, the special Summit on sustainable development will be held at United Nations Headquarters in New York in September, and at the Summit, the global leaders will endorse and launch the post-2015 agenda, along with the Sustainable Development Goals (SDGs). Second, the twenty-first session of the Conference of the Parties to the United Nations Framework Convention on Climate Change will be held in Paris in December, and Member States are expected to adopt an ambitious and legally binding agreement to tackle climate change.

6.1 Emerging challenges for an effective Global Partnership for Development

Clearly, the ambitious nature of the proposals, including the “zero goals” of poverty, child mortality, maternal mortality, AIDS, and education, would require rates of progress for many countries that are considerably above historical trend rates. Many countries are off-track and the additional acceleration necessary to meet the “zero goals” by 2030 is in magnitudes larger than that accomplished in the 2000-2010 period. In addition, sustainability goals will likely require economic transformation on a scale considerably more extensive than any global partnership has achieved.

The major advances of the SDG 17 from the MDG 8 lie in three areas. One is the explicit recognition in SDG 17 of multi-stakeholder partnerships, which are now considered to be a
subset of the Global Partnership for Sustainable Development in mobilizing and sharing knowledge, expertise, technologies and financial resources. In MDG 8, the Global Partnership, i.e., the inter-governmental partnership at the global level—is the main mechanism for development, and the private sector, including pharmaceutical complies, is encouraged to have a role in partnerships in essential drugs and new technologies, as complements to the Global Partnership. In SDG 17, the inter-governmental partnership is the main engine to address the systemic issues in global governance through policy and institutional coherence. However, official and private actors both from the South and North are expected to play their own roles in the Global Partnership for Sustainable Development.

The second difference between the two Goals is in reference to the systemic issues mentioned in SDG 17 and the role of the Global Partnership for Sustainable Development in addressing them. The systemic issues refer to global macroeconomic stability, policy coherence for sustainable development and country’s policy space and leadership to establish and implement policies for poverty eradication and sustainable development. Thus, the Global Partnership should go beyond mere resource and technology transfers and address governance structure, so that global governance structure could become global enabler for sustainable development at the national level. The SDGs explicitly recognize this importance of the Global Partnership in addressing the systemic issues in global governance framework.

The third advance brought by SDG 17 in relation to MDG 8 is the recognition of the importance of monitoring and reviewing outcomes of the Global Partnership at the intergovernmental level as well as global partnerships as the essential element of the Partnership for Sustainable Development. This inclusion reflects the successful experience during the MDG era, in which the international community has been kept informed of achievement, lack of thereof and emerging issues. A robust, systematic monitoring and reviewing development in the Global Partnership and global partnerships and their outcomes at the global level, as well as regional and national levels, can help identify the gap between the commitments made and goals and targets of the SDGs. It can also help ensure that the commitments are being honoured at all levels.
**Box 4: Allocating ODA strategically**

More and better official development assistance (ODA) will be needed to meet the ambitions of a post-2015 development agenda, focused on eradicating poverty and putting the world on a sustainable development path. A case can be made in this context for strengthening the poverty reducing focus of ODA as a Post-2015 environment will require mobilizing a wide range of resources, public and private, domestic and international. ODA will retain a distinctive role as the main international public resource dedicated explicitly to poverty reduction, but current ODA allocation practices fall short of reaping this comparative advantage: ODA levels are higher where the depth of poverty is lower; More ODA is allocated per poor person to countries where there are fewer people living in poverty; and ODA is lower in countries with fewer domestic resources. Also, ODA allocations do not often take into account the multi-dimensional nature of poverty and the diverse vulnerabilities of the poorest people.

Evidence shows that having a clear and focused objective is essential. For example, agencies with a legal mandate for poverty reduction are more effective in allocating ODA and allocate more than 2.5 times more ODA to poverty reduction compared to those who do not have such a formal mandate. Refining the ODA objective should be formalized at the global level and institutionalized across agencies and institutions providing and deploying ODA. This refined objective for ODA should work to incentivize the right form of assistance tailored to the poorest in developing countries, considering the scale, nature and causes of poverty in their specific contexts.

Eradicating poverty will require dedicated resources to make the necessary investments across all three dimensions of sustainable development. Ninety-six per cent of people living in extreme poverty live in countries that are either politically fragile, environmentally vulnerable, or both (see Figure). Carefully adapting the design and nature of ODA assistance to different contexts also involves responding to the overall resources capacities and supporting domestic resource mobilization. ODA should be prioritized where other resources are scarce and well aligned to support domestically-led implementation.

Such a sharp focus for ODA post-2015 should lead the way to a long-term, systematic approach that helps countries move out of instability and increases the resilience of the most vulnerable against climate and other shocks, with the ultimate goal of eradicating poverty and leaving no-one behind in the transition to sustainable development.

As the figure below shows, 96% of people living in extreme poverty live in countries that are politically fragile, environmentally vulnerable, or both. Ending poverty will therefore require investments across the economic, social and environmental dimensions of sustainable development.
Note: The figure includes only developing countries and the size of each circle is scaled by the number of people living in extreme poverty. Depth of poverty refers to the gap between the average income of people living below the poverty line and the poverty line. ODA figures are gross ODA in 2012, excluding non-transfers.

Source: Based on the findings of an independent study by Development Initiatives, “Improving ODA allocation for a post-2015 world: targeting aid to benefit the poorest 20% of people in development countries”, January 2015, with lead author Timothy Strawson. The study was commissioned by the United Nations Department of Economic and Social Affairs for the 2016 Development Cooperation Forum, as part of a UNDESA research project funded by UKAID.

### 6.2 Building partnerships on the basis of MDG 8

The examination above suggests that there are fundamental deficiencies in the global governance system. Coordination at the highest level of the global partnership is required to address the existing three fundamental inadequacies of global governance and rules, so as to achieve sustainable development particularly for developing countries.

(1) The current governance system is not properly equipped to manage the increasing and deepening globalization, and to respond to the growing need for global public goods. To have an effective governance system, the global community needs to agree on a broader definition and standardization of contribution to the provisioning of global public goods such as disease-free
environment, free from the fear of food shortage, financial stability, fair and predictable trading system, international taxation and properly regulated movements of people among countries, and maintenance peace and security.\(^{21}\) It also needs to take shared, yet differentiated responsibility for achieving desired results through various types of partnerships.

Providing adequate levels of global public goods (and reducing global public "bads") will likely require larger financial resources, including a higher level of ODA flows.\(^{22}\) For example, developed countries have committed to mobilizing $100 billion per year on climate change *alone* by 2020 under the UNFCCC. An effective global partnership, however, is not yet in place to deliver on existing commitments and to generate new sources of funding from both traditional and emerging donors through various forms of financing mechanisms.

Without adequate global partnership on these issues and an agreement on the cost sharing for providing public goods, the supply of such goods will be lower than the level needed to achieve the SDGs. Poverty eradication, for example, has increasingly been dependent on public good provisions of a stable and sustainable local and global climate (see chapter IV), a solid (micro-) financial system (see chapter II), fair-trade, and an infectious-diseases free environment (see chapter III). The sub-par level of the provision of these services will make it difficult to eradicate poverty within a target period.

(2) The current system is characterized by asymmetries in the international decision making, with developing countries only exercising limited influence in shaping global rules, and by unbalanced character of globalization.\(^{23}\) The current globalization has been increased and deepened while the structure of global governance remains unbalanced. While the mobility of goods and services and capital has been facilitated by global, regional or bilateral rules, the mobility of migrants, particularly the unskilled, has been severely restricted mostly by unilateral measures. High mobility of capital has further been associated with declining taxation on capital and corporations in both developing and developed countries. Workers—the less mobile factor of production—are now bearing larger shares of total tax revenues.\(^{24}\) The mobility of goods and services has been facilitated not only by multilateral trade agreements, but also by regional and bilateral agreements, reflecting the need for stable and predictable flows within global value chains and large enterprises (Cortez and Arda, 2014). As a result, a myriad of regional and

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\(^{23}\) This bullet point is based on CDP (2014).

\(^{24}\) See Ndikumana, Léonce (2014).
bilateral trade agreements co-exist with multilateral agreements, with the former having stricter discipline to trade and investment flows.

Important decisions on international monetary management, for example, have taken place in the Group of Seven (G-7) in the past and now the Group of Twenty (G-20). The creation of the G-20 is a better reflection of the distribution of economic powers in the world—with the G-20 accounting for about 85 per cent of Gross World Product and 65 per cent of the world population—but the majority of developing countries and countries with economies in transition have been excluded. It is noted that the G-7 or G-20 has also bypassed the IMF, whose main function is to make decisions on global monetary issues. Shares of developing countries in the IMF do not reflect their shares in the global economy and the 2010 reform plan to increase quotas allocated to developing countries has not yet been implemented as of December 2014.

The asymmetries in international policy making and the unbalanced structure of global governance have significant implications for asymmetric outcomes in the national sphere. While within-country inequalities are largely shaped by a history of the society and a series of national policies undertaken in the past, the global environment, characterized by asymmetric international policy making and unbalanced governance structure, limit the policy space for national policy making that deals with the inequalities. Stringent patent protection, for example, tends to increase the price of essential medicines in developing countries, making more costly for poor people to improve their health status. Public and private partnerships at the global level, on the other hand, have promoted the development of vaccines, improved medical treatments for tropical diseases and made them more accessible for millions of people.

(3) The current global system has moved towards the standardization of rules and disciplines, leading to a shrinking of the policy space of national governments, particularly of developing countries. The standardization of global rules and disciplines, together with the asymmetries discussed above, led to a shrinking policy space of national policy making. Liberalization and deregulation have characterized the current globalization, but the same liberalization and deregulation have now become the norm (or unwritten code) that regulates policy design both at the national and global levels. A minimum set of standard rules and

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26 The Managing Director of the IMF expressed her disappointment when the U.S. Congress decided not to include the IMF’s 2010 Quota and Governance Reforms in its budget legislation. See “Statement by IMF Managing Director Christine Lagarde on IMF Quota and Governance Reforms”, IMF Press Release No.14/568, 12 December 2014

regulations is necessary for efficient and predictable functioning of the global economy, and these rules are applied to both developing and developed countries. While there are still exceptions, such as deviation from the principles of non-discrimination for least developed countries (LDCs) and granting them a deferring the time within which LDCs to implement the TRIPS Agreement (called an extension of the transition period), the two forces—tendency towards free economic activities and standardization of rules and disciplines—have considerably reduced the policy space of national governments.

In addition, global trade rules appear to have been applied in a rather unequal manner. Over time, the rules have become less flexible in terms of implementing sectoral policies or structural changes of their economies. For example, compulsory licensing and reverse engineering, two widely used approaches in the past, are restricted or forbidden and performance-related requirements on foreign investors are no longer permitted. On the other hand, it is the developed countries that employ domestic sectoral policies that support agricultural production and prices, lowering export prices and increasing trade volumes of agricultural products from developed countries. Furthermore, large subsidies that are provided to the agricultural sector in many developed countries to support price competitiveness in the global market are not subject to the WTO rules.

6.3 New global rules and guiding principles in development partnerships

How should the global community address the lack of capacity of global partnership to supply global public goods, the asymmetries in international decision making and the unbalance nature of globalization, and the reduced policy space of national government, particularly, of developing countries? The Committee for Development Policy (CDP), a subsidiary body of the Economic and Social Council (ECOSOC) of the United Nations proposes five important principles that should guide the global partnership and lower levels of partnerships to strengthen or reform global rules and regulations at the global, regional and national levels.

1. Common but differentiated responsibilities (CBDR) in accordance with respective capacities: It requires all States to participate in international decision-making processes for tackling common problems, but recognizes differences in their respective financial and technical capabilities when contributing to the processes, and their respect responsibilities in creating global problems in the past. This principle calls for equity in the formulation of international rules and regulations, based on the matching responsibilities with capabilities;

2. Inclusiveness, transparency and accountability: International decision-making processes should be democratic, inclusive and transparent. Otherwise, the decisions that are made in the process lack universal legitimacy. While the Monterrey Consensus in 2002 and Doha Declaration in 2008 emphasized the importance of transparency and inclusiveness in the
reform of the international financial architecture, their importance in international decision making in other areas – such as environment-related regulations, health-service provisioning and technology transfers among other things – should be equally recognized. Accountability must be in place to guarantee that reforms and policies agreed are to be actually implemented. An agreed mechanism for monitoring and evaluating should be created to ensure that agreed commitments are being fulfilled; 29

3. Coherence among global rules and regulations and between national and global rules: It calls for a holistic and comprehensive assessment of the rules and regulations if they undermine each other, or prevent others from being implemented. Coherence can be enhanced by better coordination among various stakeholders, including private and NGO actors, and information sharing. In the context of the post-2015 development agenda, any rules and disciplines are expected to be consistent with the promotion of global sustainable development in economic, social and environmental areas;

4. Subsidiarity: This says that issues should be addressed at the lowest level capable of addressing them. Many international problems can be effectively managed at bilateral or regional level and decision-making should be decentralized as lower a level as possible in order to maximize each nation’s opportunity to influence its surrounding international environment. Subsidiarity can provide more national policy space. At the same time, it implies that structure of global governance should be based on an adequate balance among global, regional and bilateral arrangement, and;

5. Responsible sovereignty; A State is required not only to protect its own people, but also to cooperate beyond its national borders to protect global resources and address international threats. This principle is of particular importance in relation to provision of global public goods.

Strengthening current global rules and disciplines with these principles is expected to help achieve sustainable development goals. To do so, the Synthesis Report (United Nations, 2014e) points out that the international community must move to correct the inequalities in the international system that include inequitable multilateral trading system, an unfair representation of developing countries in international financial and economic decision-making, and less regulated and unstable international financial and monetary systems, among others. It continues


29 United Nations (2014e), the Road to the Dignity by 2030, op. cit., recognizes the importance of monitoring, evaluating and reporting to ensure the actual implementation of the commitments, but does not include accountability as one of the necessary factors.
to state that the global community needs to remedy the policy incoherence between the current modes of international governance in the areas of trade, finance and investment and global norms and standards for labour, and the environment equity among other matters. This is why the SDGs could break new ground with goals on inequalities, cities and human settlements, industrialization, and institutions (or governance), among other things, in addition to reinforcing the commitments to the unfinished MDGs, The SDGs are underpinned with a goal on global partnerships for the means to the implementation of transformative changes in the international system.\footnote{CDP (2014) proposes how to reform the global governance system in finance, trade, taxation, migrations and others, based on the guiding principles.}

### 6.4 Monitoring and reviewing mechanisms

Building effective monitoring and reviewing mechanisms at the various levels is critical to maintain and strengthen the evolution of global partnerships in tandem with deepening of globalization. The complexity of monitoring, however, will challenge national and international stakeholders, including national statistical authorities, to make the monitoring feasible and tractable. Monitoring the policy implementation and the outcomes is the first step for policy makers to perform evidence-based policy review and evaluation against the original policy goals and, if necessary, to strengthen existing policies or to introduce new policy interventions.

Accurate and timely monitoring of progress in the post-2015 development agenda, and reviewing and evaluating mechanisms by all stakeholders will be a key for the success of the agenda. Monitoring can motivate the stakeholders in the partnership by providing them relevant information and objective measures about the extent to which they engage with their respective partners. For this to be achieved, a monitoring framework needs to be firmly grounded on established principles and sound practices in order to review progress, and ensure evaluation in the implementation of the post-2015 development agenda. This is particularly the case for the SDGs, as various forms of partnerships have proliferated, providing financial and technical assistance through different channels with aim to achieve sectoral targets in economic growth, health, education, gender and environment. In addition, reviewing and evaluating the monitoring results with all stakeholders are mutual learning processes and encourage dialogue among them, and further help them identify lessons that could be used to improve future engagement.\footnote{Bester, Angela (2015). “Scoping study on monitoring and accountability of development cooperation to support implementation of the post-2015 development agenda”, a paper prepared for the Development Cooperation Policy Branch, Office for ECOSOC Support and Coordination, DESA, United Nations (February).}
The leading role of the United Nations in monitoring MDGs

The overall monitoring process for the MDGs has helped to maintain focus on development goals, while keeping the world informed of achievements, problem areas, and emerging issues. At the same time, the Global Partnership for Development has not closed the wide gap between MDG 8 target and policy delivery, in part due to inefficiencies in the monitoring and accountability system to measure progress on its specific targets. The MDG Gap Report attributes the gap to the wedge that exists between the commitments made by the member States to the targets of the MDGs, on the one hand, and the national policy obligations determined by the economic and social realities within countries, on the other hand. A robust monitoring system can help to ensure that commitments are being honoured by all sides.

Some progress has already been made towards the creation of such a robust monitoring system. At the global level, led by the General Assembly and ECOSOC, the United Nations system tracks progress in MDG achievement through a robust statistical framework that works closely with regional and national counterparts, and receives voluntary reports from countries on their MDG progress at the Annual Ministerial Review. A number of reports evaluate progress, including the annual MDG Report, the MDG Gap Task Force report, and efforts to accelerate achievement of the MDGs by 2015, among others. The UN, through its MDG Gap Task Force, its Inter-agency and Expert Group on MDG Indicators (IAEG) and the ECOSOC have been playing a central role in monitoring progress in achieving MDGs and they are expected to continue their respective functions in reviewing the implementation of conference outcomes, including the post-2015 agenda.

The MDG Gap Task Force is an inter-agency collaboration created by Secretary-General in 2007 to monitoring the policy commitments embodied in MDG 8. One of the achievements of the Task Force has been its ability to propose measures to track the Global Partnership for Development when needed. For example, while the Task Force currently tracks debt sustainability and access to affordable medicines MDG targets, it needed to create appropriate indicators to do so. The Task Force also responds to expansions in the scope of MDG 8 itself as new initiatives are launched that are focused collections of voluntary partnerships involving national, regional, and multilateral institutions as well as foundations, civil society organizations and for-profit enterprises. Often, these new initiatives require additional monitoring of existing indicators (United Nations, 2014d).


34 The Task Force is co-chaired by the UN DESA and UNDP and the annual reports of the Task Force can be found at the website http://www.un.org/en/development/desa/policy/mdg_gap/index.shtml.
The IAEG coordinates the annual report on the MDGs that goes beyond simple statistical reporting and uses IAEG member agencies’ knowledge of the underlying story behind the figures, in dimensions not included in the MDG indicators. Accordingly, the IAEG has a broad monitoring role that goes beyond a mere analysis of MDG indicator data.

In addition to the UN’s role in coordinating monitoring through the IAEG, ECOSOC holds annual ministerial-level substantive reviews (AMRs), mandated in 2005, to track progress and promote efforts towards the realization of the MDGs and other internationally agreed development goals. At the AMRs, ECOSOC hosts National Voluntary Presentations (NVPs) which aim to: assist countries to assess progress at the national level towards achieving the United Nations development agenda; generate momentum for scaling-up and accelerating action to realize the agenda; serve as a forum for exchanging lessons learned and successful practices and; improve implementation of development strategies and policies. The presentations are made each year by a high-level representative, often at the ministerial level, during the high-level segment of the Council. The structure of the presentations nurtures a normative approach to the review of development strategies and encourages countries to highlight both policies that have worked and those that have not.

At the regional level, the UN is represented by its five regional commissions which prepare regional reports on MDG achievements. At the national level, the UN system provides support to Member States in data collections, and action planning and its implementation (see Figure 5).

By having an agreed framework for monitoring progress in the development agenda, the UN is able to promote partnerships between the national and international statistical agencies to develop data systems for the MDG indicators, including reporting at the national and sub-national level. The framework is also able to build capacity in statistical agencies that require additional attention through a dialogue between national and international statistical agencies. Finally, such a framework promotes internationally agreed statistical standards and minimizes inconsistencies between national and international data sets.


36 Presenting countries self-select reviewers, which allows the country to choose peers that might have shared similar experiences, and have similar national development strategies. While this practice of review by peer countries in similar situations has clear benefits it has also lead to a review process that typically refrains from criticising the country’s policies too extensively.
6.5 Monitoring challenges in the post-2015 era

The existing monitoring and reviewing processes face several challenges; (1) On the one hand, only a narrow source of data is employed (e.g. ODA flows are largely based on OECD/DAC members’ data) but, on the other hand, other mechanisms use data from a wide range of data sources, both official and unofficial, with questions on the quality and consistency of the data used; (2) surveys or data collections are often undertaken in preparation for global or regional major conferences, raising a question about the timeliness and frequency of reporting; (3) there is insufficient cooperation or linkage among the existing review mechanisms to the extent of using one another’s data and assessment, and; (4) dialogue between the executive arms of both providers and recipient countries, on the one hand, and parliamentarians and civil society representatives, on the other hand, are growing, but needs to be further strengthened.

MDG monitoring experience has shown that “there is clear need for a broad-based technical but inclusive monitoring group, and for a succinct annual report for the public on progress and challenges” (UN System Task Team on the Post-2015 UN Development Agenda, 2013b). The IAEG filled this role and has been an important tool for the coordination, credibility and sustainability of global monitoring and reporting.
Peer reviews, in conjunction with other monitoring mechanisms, can act as a platform for mutual accountability, as they encourage the exchange of best practices and lessons learned and include a follow-up process on commitments made among countries in similar macro-economic conditions. The flexibility of the NVP to address different topics and viewpoints as considered relevant by the reviewed country also has a downside when it comes to comparing the experience of different countries.

The international community is required to address these issues by defining the basic principles for design of multi-layered monitoring and review framework for global partnerships for development. In particular, the United Nations, as a truly global institution with the universal membership, has a unique and important role to play to strengthen and upgrade the monitoring processes both at the national and international levels so as to meet the challenges of the post-2015 development agenda.

7 Conclusions and implications for the post-2015 era

The MDG period has demonstrated the importance of the global economic environment within which national Governments design, plan and implement economic, social and environmental policies. As seen in the previous sections in this chapter, global cooperation in general and global partnerships as the particular forms of that cooperation can affect, positively and negatively, policies national Governments can select, and their outcomes. The Global Partnership for Development as embodied in MDG 8 has resulted in greater market access to LDCs and lower external debt stocks of indebted developing countries, for example. Various global partnerships in health and education have significantly contributed to the greater access to essential drugs and primary education in many parts of the developing world. It has also helped focus ODA on priority sectors of basic health and education.

Once our examinations go beyond the realm of the Global Partnership as embodied in MDG 8, however, there is large potential for global cooperation and the global partnership to further contribute to progress of the development agenda. This is one of the lessons from the MDG period. The current trade regime, for example, limits the policy space of developing countries by strictly applying the rules and regulations without paying sufficient attention to the differences among countries with regards to their development stages, their government capabilities and their responsibilities. Some regional and bilateral trade agreements that have been established with the aim of accommodating global value chains by large corporations are not consistent with the WTO rules. Insufficient macroeconomic coordination among countries and a lack of proper financial regulations at the global level have contributed to excessive volatilities in global capital flows. Lack of global governance systems in international tax matters and cross-border migration have resulted in lower fiscal revenues and inequalities on wealth and wage incomes. To become a true “global enabler” for the post-2015 era, the global economic environment needs to be more conducive to achieving global and national development goals.
The MDG period also witnessed the proliferation of new forms of partnerships, with the emergence of new stakeholders. The trends are expected to continue in the post-2015 era, with increasing participation of stakeholders from the South, the private sector and non-profit and non-government organizations. With so many stakeholders with different motivations and different objectives in mind, the “transaction costs” of achieving the objectives of these partnerships will be higher, eating up the limited administrative and human resources of the recipient country. The second lesson from the MDG period is the need for the global community to have a global coordination mechanism. Such a mechanism is required to be flexible to adjust itself to emerging needs and changing landscape of global partnerships.

The third lesson is that timely and systematic monitoring is the foundation for evidence-based reviews for the effectiveness of policies at the national level, and for the delivery of the commitments made by various stakeholders of the Global Partnership and other partnerships. The creation of the current monitoring mechanism, together with the strengthening capacity of the national statistics authorities, should be laudable by itself but, more importantly, the monitoring has made it possible to undertake evidence-based reviews, providing all the stakeholders with opportunities to scale up existing programmes and interventions, to scrap ineffective policies, or to introduce new ones. Prior to the MDG period, frequent reviews were not possible.

7.1 Implications for the post-2015 era

In the post-2015 era, the international community should aim at making the global environment more conducive to the developing countries that strive for sustainable development in the economic, social and environmental areas. This can be done, first, by expanding the Global Partnership for Development beyond financial resource and technical cooperation. The Partnership should deal with rules and regulation that govern international economic activities by addressing the three deficiencies of the systems discussed previously.

Second, the three principles—the recognition of the common but differential responsibilities, inclusive and transparent decision making processes, and coherence among global rules and regulation and between global and national rules—should guide the Global Partnership (and other partnerships as well) when strengthening global rules and regulation. In the areas of international taxation and cross-border migration in which no effective global rules are in place, the same principles should be applied if the international community is willing to create new rules. With these changes, the Global Partnership or, more generally, global governance, could become a global enabler that facilitates, not hinders, the up-lifting of the national economy into sustainable development path.

When facing the proliferation of global partnerships as globalization further spreads and deepens, demand for effective coordination at the United Nations as well as at the regional level is expected to increase. At the highest level of inter-governmental coordination, the G-x groups
(G77 and China, G7 or 8 and G20, for example), on the one hand, and the international organizations, such as the United Nations and the Bretton Woods institutions, on the other hand, will need to complement each other. As examined in the previous section, the high level consultations between Bretton Woods institutions and G-20 during the recent crisis led to deeper integration between them, including the FSB, and the Basel Committee. The organizations with limited membership such as G-x could be more closely associated with the United Nations to strengthen its legitimacy and universality, and could better represent countries which are not members of G-x.

With regard to monitoring, there is clear need for a broad-based technical but inclusive monitoring group for a succinct annual report for the public on progress the international community makes and the challenges it faces. The group needs to ensure a clear focus on monitoring progress towards development goals and targets and reviewing policies, programmes and interventions implemented. At the same time, the group needs to ensure that more and better data is collected by the national statistics authorities through standard procedures and definition, with adequate financial and technical assistance from donors.
8 References


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