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Conference report

The post-2015 development framework: priorities for the least developed countries

Wednesday 29 – Friday 31 January 2014 | WP1309

In association with:



United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (UN-OHRLS)



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“Least developed countries are at the bottom of the ladder where the needs are most acute and livelihoods most vulnerable”

Executive summary ¹

Why LDCs? Least Developed Countries must be at the core of the post-2015 agenda because they are at the bottom of the ladder, where the needs are most acute and livelihoods are most vulnerable. LDCs already have an ambitious, forward looking plan agreed in Istanbul (IPOA).² This sets criteria for strong country ownership and genuine partnerships. Participants stressed the need to shift from a crisis narrative to more success stories, not seeing LDCs as victims but as change actors. Both endogenous and exogenous factors limit what is currently possible. LDCs have significant human capital and resources – still the main challenge is to utilise these to achieve transformations.

All these elements are very relevant for the post-2015 Goals. If we continue doing more of the same very little will change. Economic growth and structural transformation of LDC economies through enhanced productive capacity, energy and agriculture must be at the heart of plans. Poverty eradication must be accompanied by income generation: given the demographics, a strong youth focus is vital, plus better social protection for the growing numbers of elderly people. The correlation between empowerment of women and economic progress is very striking.

Financing for development: For the foreseeable future ODA will remain significant for the poorest countries; in addition trade, investment and availability of relevant technologies are also important. Financing for development will require increased domestic resources as well: remittances and increases to the tax base are obvious elements. Increasing efficiency in tax generation has high potential – the OECD reports that aid is only 10% of the level of potential tax receipts in Africa. Much of the future focus of official assistance should be on developing effectiveness and efficiency in generating domestic resources.

Universality: The Sustainable Development Goals should be relevant for all countries but differentiated to take different contexts into account. They should contribute to transformative change which reduces inequality and the vulnerability of the poorest people and countries. How to translate global aspirations into relevant national priorities will be a key challenge. Tackling over-consumption, particularly in well-off countries is becoming increasingly urgent given finite resources and impacts on the less powerful. The challenge of addressing unsustainable patterns of production and consumption has not been met. This addresses universality and the need for shared responsibility. As just one example, over 80% fish stocks globally are now over-exploited, which disproportionately affects poor communities reliant on fish for their protein intake.

“Good governance should be a key thread running through the new local framework.”

A strong focus on **good governance** should be a key thread running through the new Goal framework. Effective governance has to be generated from within societies, not imposed from

outside. Governance is also a global agenda: rich countries need to do much more on illicit financial flows, cooperation on international crime, and ensuring tax is paid where profit is generated. The International Financial Institutions need further reform to ensure that they really work for their intended beneficiaries and that they support development.

We need to continue the **MDG push for human and social development**, and the on-going necessity to meet the targets in the MDGs both in the period up to the end of 2015 and in more ambitious form in the new Goal set. We should keep focusing on lives and livelihoods, and the potential to achieve better lives. Examples such as those shown from Bhutan and Bangladesh should be remembered during the negotiations in New York. The positive focus on building resilience and expanding opportunity echoes the UN Secretary-General's report 'A Life of Dignity for All'³. It is necessary to build institutions that can support this kind of change and support principles of mutual accountability, partnerships, and opportunities for green economies at all levels.

There has been much talk of the need for a **data revolution**, linked to improved implementation and monitoring. This is key for LDCs in particular where accurate data is lacking for decision-making. A number of significant examples were put forward mapping the demography of poverty. Data collection should not only be framed at the macro level but also needs breaking down carefully. Properly collected disaggregated data can be totalled up; inadequate macro data cannot be disaggregated. LDCs also have to contribute to exploration of alternative measures for development and economic progress which go beyond GDP, eg. the emphasis from Bhutan on Gross National Happiness.

LDCs have prioritised **improving productive capacity**, in particular through investment in agricultural production and processing. Two different and clear arguments were presented during the conference: on the value of increasing large-scale mechanised agriculture and on supporting smallholder farming as a key to inclusive development. There are divided opinions within developing countries on this subject – which is hugely complex. Whether the arguments fall more on the side of smaller scale or on larger (often more mechanised and input intensive) farming methods LDCs need to improve food security and to move up the value chain in terms of food processing. Structural transformation of economies occurs as labour becomes more productive. Rural-urban migration and employment prospects (particularly for young people) in cities must also be factored into decision-making.

Gender inequalities are obstacles to development. Inequalities between men and women and discrimination based on gender affect everybody and impact directly on 50% of the population, so they cannot be classified as a minority concern. The conference heard compelling arguments for a stand-alone gender goal, gender-related targets in other goals and the need for disaggregated and more complete data. From a gender perspective, the new framework needs to address structural factors which underpin gender inequality; women's public profile and productive capacity – as well as private relations; and intersectional discrimination and disadvantage experienced by the most marginalised women in society

Careful **assessment of preferences and needs of target communities**. Excellent examples were provided on Bhutan and Nepal, showing the difference between what is pushed from the top and the village level perspective; to efficiently allocate resources, consultation and listening are essential. A paradigm shift is needed to ensure that economic benefits are more fairly distributed. For example, Kiribati only receives 5-8% of the proceeds of the \$4billion worth of fish taken from its fishing grounds each year.

Climate change issues should be central to the agenda, as demonstrated by the existential threats to Kiribati which were powerfully presented. Climate change will have huge adverse effects on development prospects for many countries if not addressed by the global community. IIED did a study to show reduction of fish stocks by 10k metric tons in Ethiopia and Kenya due to climate change will increase hunger levels from 'alarming; to 'extremely alarming'.⁴ The different strands of international negotiations must be coherent – the Istanbul Programme of Action, the SDGs, the major Conference of the Parties to the Climate Change Convention in 2015, the 2015 UN focus on disaster risk reduction and the on-going UN programme on Sustainable Energy for All must work together to reduce the vulnerabilities and

“Gender inequalities are obstacles to development.”

structural problems faced by poor countries and people. The more there is a holistic approach, the better this will be; the more fragmentation in the discussions, the more damaging for LDCs.

Session 1 – LDCs and the post-2015 agenda

“It is essential that the post-2015 agreement incorporates fully the network and prospects of the least developed countries.”

1. From the perspective of UN-OHRLLS, it is essential that the post-2015 agreement incorporates fully the interests and perspectives of the Least Developed Countries (LDCs). Whatever measure one takes (income, vulnerability), LDCs are at the bottom of the ladder. They face structural constraints such as low income and limited market opportunities. They are more vulnerable to external shocks.
2. The economic slowdown has reached the LDCs. LDCs are very dependent on ODA, but ODA levels are declining. Foreign direct investment is low in most LDCs. In addition LDCs face degradation of natural resources, have a lack of capacity to protect their environment and suffer from lack of access to water.
3. At the same time, the 850 million people in LDCs have aspirations and are determined that they should have opportunities in the post-2015 world. Benin, as chair of the LDCs, is committed to ensuring that the Istanbul Programme of Action (IPoA) is fulfilled. A major conference is planned for Cotonou in July 2014 to galvanise progress. Benin itself has made progress on primary education completion rate (75.3% in 2010); maternal mortality has fallen from 550 to 350 per 100,000, access to water and sanitation are improving.
4. IIED and its LDC Independent Expert Group (IEG) have been working intensively with the LDC Group in New York in recent years, in particular in the negotiations under the UN Framework Convention on Climate Change.
5. LDCs, even though they have the most urgent needs, are not the largest recipients of ODA – but they are heavily dependent on it, at a time when it is under pressure. Much of the aid is allocated as a result of security factors (Pakistan, Israel, Egypt, Iraq) or because of other essential assets – such as Brazil’s forests.
6. LDCs could and should have a strategic role in determining how development assistance is allocated. LDCs need to stick together as a group. They are “takers not makers” of economic fortune. Three strategic orientations for the SDG process have emerged. These are:
 - Employment, prosperity and jobs
 - Making agriculture prosperous
 - Addressing the particularly harsh impacts of climate change on the LDCs.
7. The LDCs have most to lose if the negotiations on “beyond 2015” fail or emerge as “business as usual”. However, they have most to gain if the planning is successful in reorienting priorities more towards the needs of the poorest and most vulnerable countries.
8. Post-2015 priorities must move well beyond aid to make global patterns of production and consumption sustainable.
9. For that to be achievable, the challenge must be seen not just as one for governments, but for- social movements and institutions of civil society; social enterprises, and small (often informal) businesses; corporate social responsibility; the media, parliament and other guarantors of accountability.
10. The work of Nobel laureate Elinor Ostrom on “governing the commons” has important lessons for economics which is dominated by an emphasis on markets and competition⁵.
11. A new Oxfam report *Working for the Few* presents evidence that about half the world’s wealth is owned by 1% of the population and 70% of the world’s population live in countries where inequality has increased in the past 40 years⁶.
12. Points from the discussion included:
 - It is important to fulfil the commitments of the international community to achieving (as far as possible) the MDGs. The Norwegian Prime Minister and President Paul Kagame

“Post-2015 priorities must move well beyond aid to make global patterns of production and consumption sustainable.”

- (Rwanda) are leading the Advocacy Group to push on that⁷.
- Lessons should be learnt from the MDG process, in order to do better next time. For example, the exclusive focus on the national level needs to be augmented with the opportunities and responsibilities of sub-national actors. For example cities and urbanisation are much more a topic than when the MDGs were formulated – and cities can (and need to) play their part in e.g. responding to climate change (with so many major cities close to sea level) and poverty eradication through their role in the economy⁸.
 - Sustainable development perspectives such as energy, equality and governance were inadequately incorporated into the MDGs. Where poorer countries discover resources such as oil and gas (e.g. Tanzania and Mozambique) how can they ensure that the resources are used for poverty eradication, health, education and other social objectives?
 - It is important for MDGs to focus on domestic resource mobilization to cut dependence on ODA. Aid can have “Dutch disease” characteristics and also undermine the legitimacy of governments by making them accountable to donors rather than primarily to their citizens.
 - There are concerns among LDCs that funding for Global Public Goods (GPGs) could be diverted from ODA. Small Island Developing Countries are committed to sustainable development goals, and primarily keen to ensure that resource transfer for their protection occurs – under whatever budget heading.
 - Having seen what the MDGs have achieved, aspirations are even higher now. Many are looking for new goals which can do the following: (a) mobilize new resources including, but going far beyond, ODA (b) Expanding the remit of ODA to include energy, infrastructure etc. (c) Transforming global structures and governance – on e.g. tax regimes, trade, climate change and (d) overcoming structural constraints around economic structures – implying new roles and opportunities for the private sector.
 - Learning lessons, monitoring and evaluation of progress is essential.
 - The IPOA goal of 50% of LDCs graduating from that status by 2020 is threatened by the pressure on ODA.
 - From the perspective of Small Island States, it is disappointing that the UN Security Council takes such a restrictive view of security – which does not include protection against the damage caused by climate change.
 - The proposal that 50% of ODA should be committed to LDCs seems reasonable, given the need to focus on poverty eradication.

Session 2 – A new framework for poverty eradication and sustainable development

13. Do we really need a new framework? The IPoA has embedded half the MDGs and should serve as the point of departure for the LDCs.
14. The LDCs as a group will not achieve the MDGs. How will a new framework intensify and accelerate the process? A universal framework with national priorities driving it is required. LDCs as countries are fragile, conflict affected and vulnerable. But around 75% of the poor live in Middle Income Countries (MICs) with poor income distribution. Of the 49 LDCs, 16 are landlocked, 10 are SIDS, 28 are conflict ridden and more are post-conflict. With regard to climate, around 90% are at risk or vulnerable; 58% are extremely vulnerable or vulnerable. The new framework needs to be adequate to address all these challenges.
15. As we move from the MDGs to the SDGs, the question of balance is essential. How to balance the urgency of a development and poverty eradication agenda (at least fulfilling the MDGs) with the 3 or 4 (including governance) new pillars of the SDGs? A bad solution would be to get less ambitious development targets, combined with imprecise, non-actionable sustainable development targets (like the current MDG7).
16. Analysis of the work of the High Level Panel (HLP), the Global Compact (GC) and the Sustainable Development Solutions Network (SDSN)⁹ yields little in the way of structural

“As we move from the MDGs to the SDGs, the question of balance is essential.”

transformation which would benefit LDCs – e.g. a mention of market access (HLP); SDSN has a little on climate change and trade, but no specific indicators; the GC talks about doubling agricultural productivity. The HLP maxim “no-one left behind” states an important principle for the LDCs, but it has to be operationalized.

17. Some of the key concepts and analytical work for the third Chronic Poverty Report were presented¹⁰.
18. By 2030, it is estimated that there will still be 600 million extremely poor people below the \$1.25 per day level. The most vulnerable are mainly in Africa, then Asia and Central America. The challenge is threefold – to stop people descending into poverty; to stop them being trapped in poverty for extended periods; and to ensure that escape from poverty is maintained through a trajectory away from poverty. The aspiration must be more ambitious with an increased focus not just on \$1.25 per day, but increasingly on \$2 per day.
19. Policies which have been shown to work (and which need to be applied comprehensively) include massive investment in education; systematisation of social protection and ensuring that economic growth works for the poor.
20. Policy tools include health care, disaster risk management, insurance/protection against major risks and shocks (climate, old age), conflict prevention and social assistance and education. Access to productive land, education linked to the needs of the labour market, regional and local economic development – where a dynamic urban centre is linked with its rural economic hinterland and social protection against shocks are essential elements of efforts to move out of poverty.
21. Addressing chronic poverty is increasingly problematic in a climate constrained world. There are big issues and trade-offs in the attempt to achieve both growth and sustainability. The rich world has not yet shown any real readiness to confront the need for transformation in production and consumption patterns which would be necessary. The energy needs for development and the challenges of sustainability and energy supply are huge. Many of the “business as usual” and easy energy options are not sustainable.
22. Middle income countries with high levels of inequality need to address poverty eradication, but this is a difficult political task internally. Domestic resource mobilisation is key. There are lessons to be learnt from Latin America (e.g. cash transfer programmes) – so knowledge transfer and design of nationally applicable programmes is fundamental. Sub Saharan Africa (SSA) remains a particularly acute area of need. The regional and national specificity of issues has to be recognized and carefully analysed. In South Asia, the patterns of overlapping and intersecting issues of rights, injustice and inequality need to be well understood for effective policy design.
23. Panel data for each country would help in the design of programmes through time. Such data needs to be disaggregated to allow understanding e.g. of horizontal inequalities – breaking down the data to show what is happening by gender, racial/ethnic group, and also regional differences.
24. The MDGs did not pay sufficient attention to the situation of fragile and conflict-affected states. The overlap of such lists with the lists of LDCs is considerable. Many are in SSA. Immediately before the conference a new map attempting to predict the likelihood of armed political coups was produced, with a heavy emphasis on Africa being most coup prone¹¹. South Sudan and the Central African Republic are only the most dramatic recent examples of sudden outbreak of major civil violence in the region.
25. At the January 2014 African Union Summit, a conference on “The Future Young Women and Girls Want” placed strong emphasis on a continent “free from violence against women and girls”.¹² There is a huge task in support for women in post-conflict situations – particularly those who have suffered gender-based violence. The case was put forward of a woman raped in the conflict in Northern Uganda, who consequently needed \$200 for an operation to treat her prolapsed uterus. After failing to finance this for five years, she was finally helped and given a \$20 grant to help with rehabilitation – which she used to start a

shop and achieve economic independence. Relatively small sums of money, well deployed, can make a strategic difference.

26. Women are heavily involved in agricultural production in Africa, but usually do not own the land they farm.
27. The huge demographic shift in Africa also represents a major challenge. 70% of Uganda's population is under 30% and over half will be under 20 by 2030. This is not untypical for other African countries. Lack of investment in agriculture fuels migration to cities, where there is a lack of formal jobs, low pay and insecurity. Even for those who manage to study, employment prospects are not good. There is a lack of formal employment opportunities, education and training is not well designed to equip young people for the labour market and there is lack of investment in industry which could create appropriate employment.
28. Points from the discussion:
 - The number of countries still heavily dependent on aid is declining; the LDC grouping is closest to the set of countries for which aid is important.
 - A good target could be 50% of ODA for LDCs.
 - LDCs should concentrate more on domestic resource mobilisation through taxation.
 - Should more ODA be dedicated to global public goods? One concern of LDCs (and others) is that diversion, rather than new money, would take place.
 - The MDGs paid insufficient attention to the sub-national level – and energy, equality and governance did not feature as priorities.
 - The MDGs have been successful where there is strong national leadership and ownership of the goals.
 - Trade and attracting foreign direct investment (FDI) are areas where LDCs are weak.
 - The current MDGs have been framed largely around human development outcomes. For SDGs it is essential to look at transforming global structures and governance (taxation, trade and climate). A successful set of goals would serve as a planning and resource allocation tool for governments in-country. The private sector and others need to be involved.
 - Countries are keen to graduate for LDC status – the target is for 50% to graduate by 2020 (IPoA). To free themselves of dependence on aid, countries need to build productive capacity, to end mismanagement and improve governance.
 - Monitoring and implementation are key – as is accountability.
 - There is a danger that traditional understandings of security and the focus of the UN General Assembly on security issues might convey the impression that climate change is a secondary issue. For small island states, climate change, sea level rise and extreme weather events threaten the existence of their nations – that urgency needs to be reflected in the international organisations.

Session 3 – Least Developed Countries / Low Income Countries: Why the terminology matters

29. It is essential to understand that the conceptual understanding of LDCs is quite different from LIC¹³ Rather than focusing solely on a narrow income measure, LDCs are also defined in terms of structural weakness – high levels of economic vulnerability, weak human resources, risks of exposure to climate change and shocks. Many are also small in size and more susceptible to international economic turbulence. Such thinking also underlies the Human Development Report.
30. The World Bank and IMF have never accepted the LDC grouping and this broader understanding of human development. There is a need for closer working relationships with the Bretton Woods institutions, which have now moved away from more damaging and narrow emphasis on structural adjustment. The imbalance in resourcing for the organisations remains a significant problem as the UN is starved of resources for core functions – many of which have been taken over by the World Bank.
31. Strong support for and resourcing of the LDCs is necessary if the IPOA target of halving

“LDCs are also defined in terms of structural weakness.”

the number of LDCs by 2012 is to be achieved. This can only be done through structural transformation.

Session 4 – How can LDCs achieve sustainable and inclusive economic growth? Overview of key economic drivers and constraints facing LDCs and opportunities to shape future trends

32. It is important to understand what is meant by inclusive growth. One definition stresses productive employment, with the labour share of value added constant or growing. The second, more ambitious, definition emphasises income growth of low income households accelerating to reduce extreme inequality. The latter is a more demanding understanding and requires policies based on redistribution, affirmative and means-tested programmes, and rights-based approaches to food, education and other social goods.
33. Adapting the Global Growth Generators of top Citigroup economists (Buiter and Rahbani) suggests what LDCs need to do to grow (per capita):
- start poor - [by definition]
 - start young - [yes, but there is no automaticity of demographic dividends]
 - open up to trade in goods and services and to foreign direct investment - [yes, but to varying degrees]
 - Boost savings - [which are far too low]
 - Invest in human capital - [MDG success needs to be accelerated]
 - Invest in infrastructure - [needs to be accelerated] [variable, with high incidence of conflict and post-conflict countries]
 - Avoid being unlucky - wars, natural disasters [LDCs are not so lucky on the whole]
 - Avoid populist assaults on incentives to work; savings and investing [increasingly these are avoided]
 - Avoid macroeconomic mismanagement, premature capital account liberalisation etc. - [mixed picture but getting better; illicit outflows; many instances of poor regulation]¹⁴
34. Most projections suggest that this will be Asia's century – with Asia's share being approximately half of world GDP by 2050. Europe and North America will decline relatively, but Africa's share stands to increase. LDCs can adopt and adapt existing technologies, but need help with finance and access to technology. This is the rationale for a Technology Bank to support the development of science, technology and innovation in LDCs, thereby helping to overcome some of the bottlenecks hampering their economic development¹⁵.
35. There are major structural issues relating to the world economy if a sustainable development model is to be achieved. The relative price of scarce natural resources would need to rise relative to the relatively abundant labour resources – an area where young African economies have a comparative advantage compared with aging populations in Europe and China, for example¹⁶. Internationally, there needs to be higher public spending on global public goods, social protection, health, education and other public services. This in turn will require a wider base for raising public revenues, with taxation on wealth, not only income; a move towards unitary taxation and restrictions on the ability of firms to move profits around.
36. Sustainable development will only be achievable if the tax base is broadened to include: profit and wealth; land and property, intergenerational wealth transfers (inheritance), and also tax base erosion and profit shifting – through for example establishing “separate entities” for taxation purposes. This is a difficult agenda, since it will require a much higher level of international tax cooperation and collective action that we have hitherto seen. This is a radical agenda but some of the arguments of campaigning organisations including the Tax Justice Network are gaining a hearing and some measure of international acceptance¹⁷.

“Internationally there needs to be higher public spending on global public goods, social protection, health, education and other services.”

Session 5 – Employment and Job Creation

“By 2050 around 25% of working age youth (15-24) will live in LDCs.”

37. There are compelling reasons why LDCs need to focus on good employment as a strategy for moving out of poverty. However, growth led by commodity booms (as has recently been the case in Africa) has minimal impact on job creation.¹⁸ There are huge numbers of people who need employment, but worldwide, there are 900 million working poor who are unable to lift themselves and their families above the \$2 per day line. 76% of workers in the LDCs do not earn enough to raise themselves and their families above the \$2 per day threshold. Only 7% earn more than \$4 per day – for non-LDC countries developing countries the figure is 40%. By 2050 around 25% of the working age youth (15-24) will live in LDCs. In the global My World survey, better job opportunities was one of the top four priorities identified¹⁹. China’s dramatic achievement in poverty reduction has basically been achieved through creating jobs in manufacturing, in tandem with its huge investment in education.
38. Some of the key priorities for LDCs with regard to employment are as follows:
39. A strong private sector is a medium-term objective. Food processing and green industries offer LDCs some opportunities at least partially to replace China as the production hub of the world.
40. Fine grained, specialised sectoral approaches are needed for LDCs to crowd in investment and improve their trade prospects. Key areas include: the garment industry, tourism, food processing and eco-industries.
41. The neglect of agriculture needs to be reversed. But increasing productivity through modern farming methods will not be labour intensive – it may even reduce the number of jobs in farming. Local economic development in rural areas is vital to stimulate local demand for non-farm goods and services.
42. Employment intensive activities in non-tradables (e.g. public investment in rural and urban infrastructure programmes) should be encouraged.
43. It is essential to support a shift out of informality, through normative measures (regulation) specific protection for certain categories of workers (domestic servants) but also through finance, zoning regulation and support for local institutions.
44. Nationally defined social protection floors are needed to provide basic guarantees and protect poor households against shocks. Much can be done through national financing, but some international financial support for this could be needed.
45. This global perspective was augmented by a grassroots presentation from Bhutan²⁰. From the village level, perspectives are very different. The central point is to go to the village level and sit with people as they describe their issues, identify and prioritise the assistance that they need. The process is iterative – identification of what needs to be implemented and how; target setting, monitoring, all locally driven and conducted. Self-help and traditional skills must be valued and supported. Microfinance is an important tool and can be used to create good employment opportunities.
46. People in LDCs are the experts in survival – they are constantly negotiating challenges, not waiting for external help.
47. It is clear from an LDC village perspective that the lifestyle and consumption patterns of the rich world are completely unsustainable, but with the advent of TV and the internet, they exert a strong attraction for young people and have a major disruptive impact. Young people see and aspire to emulate this high consumption lifestyle.
48. Successes in health care and education have brought us a long way, but now the challenge is how to usefully employ people in good jobs. How can the focus shift not just to education, but also to training so that people are able to support themselves through work?
49. It is easier to get money for “soft” objectives such as training than for infrastructure.

“LDCs remain vulnerable to shocks – and have considerable scepticism about the desirability of a system which concentrates so much wealth and power in the hands of the few.”

50. Farming even in LDCs is changing – people are able to use smartphones and internet access to get market information. From a village perspective, the need to keep craft, traditional skills and culture alive is strongly felt. The Bhutanese concept of gross national happiness as a measure of welfare serves as an antidote to excessive concentration on money and market values as the only criteria for measuring wellbeing.
51. LDCs remain vulnerable to shocks – and have considerable scepticism about the desirability of a system which concentrates so much wealth and power in the hands of the few.
52. Points from discussion:
- There is a need for a common framework of the SDGs and an insight that all need access to the basics – education, health, nutrition, and sustainable energy for all²¹.
 - Agriculture is a large employer in LDCs, but is there still a role for labour intensive employment such as handicrafts?
 - Traditional donors have not engaged with the need for employment generation as a priority. Policy advice, knowledge transfer and political dialogue could play a role here. Optimistic projections for future growth may not play out, as the Federal Reserve is now pulling back, and there are already signs of macro-economic instability and interest rises in economies such as Turkey and Argentina.
 - Sticking with small scale projects in villages will not lift millions out of poverty. Particularly in Africa, the necessary structural transformation is not occurring. Structural transformation occurs when labour moves into higher productivity activities – and is usually indicated by a decrease of employment in agriculture. But in some African economies there has even been movement in the opposite direction. There is a need to support productivity in agriculture – but also to invest in infrastructure and food processing to enable agricultural products to be brought to a wider market.
 - Rural development also requires access to modernised sources of power. But power is more expensive in rural areas. Prospects for development of renewable energy in LDCs are not encouraged by seeing major economies determined to use fossil fuels, and even, like Spain revert from renewables to burning coal. Subsidies for fossil fuels remain a problem.
 - Increasing taxation as a strategy was challenged. In situations of corruption, increased taxation just means more money for the elites, rather than improved services to the poor. Misuse of funds and failure to invest in productive activity, rather than shortage of money, is the primary problem.
 - When the LDCs negotiated the IPoA they looked particularly at economic growth. There can be no doubt that countries which generate 7% growth can make substantial inroads, quickly, into poverty. Structural transformation requires investment in infrastructure, access to energy and sound policies on agriculture, food and nutrition. LDCs will also have to be made resilient against shocks – particularly climate change. Social protection is also vital.
 - There is a danger of “talking aid down” – by predicting its fall and questioning its efficacy.
 - Significant tax reform is essential, but treating it as a radical move can lead to it quickly being taken off the table.

Session 6 – Agriculture and natural resource sectors as key drivers of change

53. The High Level Panel consistently emphasised the extent to which the analysis is built on the voices and priorities of people right down to the grassroots and slum levels.
54. It is clear that there is no future for agricultural production outside understanding of climate systems and biodiversity. But the real story behind greenhouse gas emissions seems to date to have been that there is a strong correlation between the percentage of emissions and a country's wealth. China was at the world average in 2007, but its emissions and growth have proceeded rapidly upwards together. By 2050, 20% of the world's population will be in Africa – where most of the LDCs are to be found. We need new ways of creating

“Agriculture is the key to food security and wealth creation.”

wealth in a climate-constrained world.

55. Agriculture is the key to food security and wealth creation. Resilient, climate-smart eco-agriculture is needed. It is vital to understand land tenure systems and how they are changing. They are embedded in the laws of social reproduction (traditions of marriage and inheritance).
56. In many African contexts, the family farm or small farm is an essential building block of food security. There are important decisions to be taken about re-vitalizing agriculture, because modernized larger farms are often seen as the way forward and as more productive. This raises key issues about farming techniques, chemical fertilisers and the place of eco-agriculture.
57. Long-term economic change will also require investment in food processing, infrastructure to get goods to market and also innovative governance.
58. Sustainable management of forests is both a contribution to food security and viable agriculture, as well as an important contribution to addressing climate change²².
59. This work is inclusive and has an inter-generational dimension. This is important at a time when many young people are moving off the land. The emphasis is on building businesses which create social benefits and not just profit. The African Model Forest Network involves 150 rural actors across 6 African countries – but with presence in around 20 countries. Intensive work on symbiotic relationships (between mushrooms and other plants) as the basis for bio fertilisers is being conducted with the University of Yaounde. Ensuring the production and longer-term availability of viable seeds requires careful work with farmers and municipalities. Introduction of line planting for easy weeding has proved successful. Redevelopment of the system of agricultural extension works has also been valuable – not least because some key officials have changed their minds on the value of bio fertilisers, having seen the benefits.
60. One example of an under-utilised product is the Moringa plant. There are thousands of other native plants whose nutritional, productive and financial potential is not yet being utilised to anything like full capability²³.
61. The focus should be much more on building a sustainable, integrated and viable rural economy, rather than isolated projects such as wells or schools. Livelihoods in the countryside should be the aim.
62. Even local governments have little idea what is going on at local level in rural economies, let alone international agencies. An example was given from Nepal of farmers purchasing much larger pumps than has been recommended, and making them dual-use technology as functioning trucks for taking produce to market. The problem with such technology is that diesel imports have increased dramatically, so that diesel imports are now more than 125% of total export earnings.
63. It is not the peasants who are the problem. It is aid experts and the lack of livelihoods and realistic options. The availability of pumps and cheap PVC pipes has meant that small farmers have switched from production of millet and maize to rice and tomato production, which is more lucrative, but more water-intensive. Such production is not sustainable from spring sources²⁴.
64. One can contrast alarmist overview narratives with careful on the ground research to establish precisely what is occurring. The example was given of 25 years of erroneous predictions of the glacial melting of the Himalayas (“Himalayan baldness”), from the 1970s (UN Stockholm Environment Conference (1972, Eric Ekholm 1976), through David Attenborough (“The Natural World” 1984) to Britain’s Overseas Development Agency – now DfID (1997).
65. In contrast, specialist analysis of what actually occurs in the real Himalayan water tower illustrates the different altitudes at which springs occur depending on the season²⁵. The “water tower” phenomenon is caused by hills filling up during the monsoons. Little has

been done to map the springs and assess their current state. Any discussion of hydropower is usually of large scale dams, but this approach not well adapted to conditions and local needs of farmers, particularly at higher altitudes.

66. A further example given was marginal improvements to a zip-wire (better pulley system, safety cage) across a river to stop fingers getting trapped and to provide a basic cage to provide greater security for people crossing, and the possibility of taking produce for sale over the river. For many people, such simple improvements now are better than grandiose plans for a bridge in 20 years (often a way of enriching businessmen – usually men – rather than villagers).
67. From an LDC perspective, it is essential to start from where people actually are. In the 1970s, often “cheap but cheerful” sustainable development solutions were chosen which made a difference at local level. In the 1980s, structural adjustment and insistence on national repayment of loans eclipsed a village agenda. If a European worker loses a job, they tend to rely on state support; in Nepal it is the family, friends or larger clan to whom one turns. The state is not even considered as a possible source of help unless one is part of the public sector elite.
68. From this “mountain village” perspective, “rain which never hits the ground” like in the Colorado desert (it evaporates on the way) is an appropriate metaphor for the MDGs. There is a huge disconnect between the international and government-level discourse and the experience of a Nepalese villager.
69. There are currently 13 hours of power cuts per day in Nepal. This will rise to 18 hours per day in May before the monsoon starts. The national grid is severely lacking in capacity. Businesses augment electricity supplies with diesel and petrol generators. Individual homes have solar panels. But for industry to develop, a reliable national grid is needed. That would require huge investment and the government is not able to generate the necessary investment.
70. There is too much “eagle eye” science and not enough “toad’s eye” science – what makes sense from a great height of generality and abstraction may look quite different on the ground.
71. Water and energy issues are “wicked problems” – the terrain is littered with elegant failures and clumsy successes. Security is best found at the lowest possible level of governance – family and local units; village councils and municipal wards. Skills in hill farming are being lost and will take generations to recover.
72. A grassroots Nepalese perspective has seen resistance to concerted US attempts to support Monsanto establishing itself in Nepal. Large-scale international development now seems to espouse “fatalism in development” and favour pushing for high levels of aid rather than the long search for community-level solutions.
73. Comments from the discussion included:
- There is a danger of a collective loss of confidence. It is encouraging, though, to hear perspectives from the village level where food is grown, water is drawn and trees grow. Recognition that power really belongs with ordinary people is vital.
 - The emphasis that LDCs do not want to be put in the “poor box” - but as people with skills, aspirations and determination to prosper is salutary. This local energy needs to be built upon and coordinated upwards for example through linking small enterprises.
 - There are many initiatives which can occur when rural electrification is possible many of them businesses led by women.
 - 200 million people linked horizontally are involved in the Model Forests Network. It is wrong to be fixated by a model of the economy with Wall Street at the top. The economy as network is a much more promising model.
 - The mistakes which were made through the structural adjustment era have exacted a high price in social destabilisation, war and lost development. Even though this is a difficult legacy to overcome, it is essential to push for another form of cooperation

“What makes sense from a great height of generality and abstraction may look quite different on the ground.”

between people.

74. **My World** As of Wednesday 18th September 2013, almost 1,130,000 people from 194 countries had participated in the My World global survey. Over 80% of participants are from developing countries – over one third (35%) from low Human Development Index (HDI) countries; another 45% from medium HDI countries. Half of participants completed the survey using the ballot ‘pen and paper’ method. Over one third of participants have low education levels and are likely to be poor (education is used as a proxy for income in most surveys) – 15% of participants didn’t finish primary school; another 22% only finished primary school. There is a roughly equal gender split for participants: 53% male, 47% female; although for the SMS outreach male participants outnumbered women by almost 3 to 1. Over two thirds (68%) of participants are under the age of 30. The My World results offer a preliminary outline of what the global deal on new goals would be if it were up to the world’s citizens.

75. Participate “knowledge from the margins for post-2015”.

76. The project uses participatory action methodology to gain insights from many developing country contexts into marginalisation and development needs. Much of the material gathered deepens the insights of the conference and adds specificity from particular social locations and lived experience. The material is presented in report form, story-telling and on film. It includes:

- The main synthesis report of 18 research studies, carried out by the Participatory Research Network in 29 countries.
- Work with us: how people and organisations can catalyse sustainable change: <http://www.participate2015.org/resources/work-with-us-how-people-and-organisations-can-catalyse-sustainable-change/>
- Policy briefing: Working with the most marginalised to catalyse sustainable change after 2015:
- A synthesis report of 84 participatory studies published in the past seven years, drawing on the experiences and views of people living in extreme poverty and marginalisation. What Matters Most? Evidence from 84 Participatory Studies with Those Living with Extreme Poverty and Marginalisation: <http://www.participate2015.org/resources/what-matters-most-evidence-from-84-participatory-studies-with-those-living-with-extreme-poverty-and-marginalisation/>
- A synthesis of the Ground Level Panel processes facilitated by Participate in India, Egypt, Brazil and Uganda
- Ground Level Panel Synthesis Report: <http://www.participate2015.org/resources/ground-level-panel-synthesis-report/>

77. Work of this kind provides rich material and huge challenges to policymakers. The temptation is rhetorically to embrace such participatory data and argue that it shows the wisdom of an already determined approach, implying that “the poor are on board” rather than listening seriously to what is said and changing the way in which development work is done or the goals of policy what Cornwall and Fujita (2012) call “Ventriloquising the Poor”.

78. Input from participatory projects on “Beyond-2015” – My World²⁶ and Participate²⁷.

Session 7 – Climate Change and Development

79. The IPCC 5th assessment report will come out in October²⁸. The UNEP Emissions Gap report emphasises that carbon emissions reductions need to find an additional 12bn tonnes of reductions by 2020. Sub-Saharan African countries are anticipating dramatic increases in the intensity and frequency of high temperature extremes. This is particularly problematic because of their dependence on rain-fed agriculture. A 1.5 degree warming could lead to about 40 per cent of present maize cropping areas being no longer suitable for its growth. Significant impairment of sorghum production is also likely in West Africa. In 2010-2012, about 239 million people in Africa (23 per cent of the population) were undernourished (FAO 2012)²⁹. According to The 2013 Potsdam Institute study for the

“Rural livelihoods will face mounting pressure as sea levels rise and important marine ecosystem services are lost.”

World Bank, “*Turn Down the Heat*”³⁰, warming of as little as 1.2-1.9 degree by 2050 in Africa could lead to an increase of 25-90% in the population undernourished³¹.

Undernourishment, childhood stunting, malaria and other diseases can undermine childhood education performance, as well as health and earning capacity later in life.

80. With 4 degree warming, annual precipitation could decrease by up to 30%, and parts of Southern and West Africa may see decreases in groundwater recharge rates of 50-70 per cent.
81. In South-East Asia, rural livelihoods will face mounting pressure as sea levels rise and important marine ecosystem services are lost. Sea level rise could be 10-15 per cent higher than the increase from 1986-2005 by the end of the 21st century. Tropical cyclones are projected to increase in intensity and maximum wind speed. Salt-water intrusion will increase in coastal areas. Fisheries would be adversely affected, as the primary productivity of the world’s oceans is projected to decrease by up to 20 percent by 2100 compared with pre-industrial levels.
82. South East Asian aquaculture farms may be affected due to increasing tropical cyclone intensity, saline intrusion and rising temperatures. These may exceed the tolerance thresholds of regionally important farmed species.
83. Disturbances in the monsoon system and rising peak temperatures are likely to put water and food resources at severe risk. Cumulatively, such multiple impacts can have severe negative implications for poverty eradication in the region.
84. *Africa’s Adaptation Gap Report* warns that, “even if the world does manage to get on track to keep warming below 2°C, Africa’s adaptation costs will still hover around USD \$35 billion per year by the 2040s and USD \$200 billion per year by the 2070s with total costs reaching 1 per cent of the continent’s GDP by 2100”³². Corresponding figures for a plus 4 degrees scenario are African adaptation costs of US\$ 70 billion per annum by the 2040s and US\$600 billion by the 2070s.
85. Climate shocks such as droughts and cyclones have the potential to drive poor families into poverty traps, could increase social inequalities and roll back development progress.
86. In the light of the above, mainstreaming climate change within the sustainable development goals is essential. Stabilising temperature increase below 2 degrees centigrade will require major lifestyle shifts in the main emitting countries, an energy revolution and transformation of management of land, water and forest resources (Integrated Water Resource Management and REDD+)
87. Promotion of energy efficiency and renewable energy are one significant contribution. According to the world renewable energy organisation IRENA, with appropriate policies the current 5.7 million jobs in the sector could increase by a further 11 million by 2030³³.
88. The problems of climate change and development can best be addressed through low carbon, climate resilient development. 9 LDCs already have such strategies in place, including Bangladesh. Some are seeking to show the way through planning to go carbon neutral.
89. As well as ODA, it is necessary to talk about climate change funding – promised at US\$100bn from 2020 (through the Green Climate Fund with headquarters in Korea)³⁴. The allocation will have to be balanced between adaptation and mitigation. If the allocation is equally split, \$50 billion will be allocated to each. It is likely that most of the mitigation money will go to large developing countries (e.g. China, Brazil and India).
90. LDCs have a very strong moral claim on the adaptation money in particular. Whereas aid money is often given under the paradigm of charity, the climate change funding is allocated because under the Climate Change Convention, major emitters are recognized as polluters, and other countries are recognized as the victims of pollution. In many ways, this is a clearer and more honest basis for the funding.
91. The climate funding enhances the opportunities which LDCs and other G77 countries have

“What is happening to small island states is a warning to many other low lying areas – many cities are very vulnerable in many countries.”

for South-South cooperation. The series of Community-based Adaptation Programmes is a case in point – the 8th is planned for Nepal in April 2014³⁵.

92. It is essential for LDCs to strategize together not just to ensure that a good set of sustainable development goals are achieved, but that there are viable plans for their implementation for the 2015-2030 period.
93. From the perspective of a small island totally threatened by climate change, it is essential to recognise the distinctiveness of this perspective. The President of Kiribati has made telling interventions at the UN on the existential threat facing his entire country and the need for discussion of security and development to be seen against that danger³⁶. How can one meaningfully talk of sustainable development against that backdrop?
94. Kiribati is less than 1m above sea level. Coastlines are being eroded and extreme weather events are becoming more frequent. Tuvalu, the Maldives, and the Marshall Islands report similar experience. Drinking water is becoming salty and brackish. Traditional crops are becoming harder to grow or having to be abandoned because of salinity. The coastal fisheries which provide livelihoods are under threat.
95. The government has mainstreamed adaptation. It has plans for mangrove development. Sea walls are being built and communities are being encouraged to build their own with support (machinery, cement) and technical advice from government. 11% of Kiribati's ocean area is now a Marine Protected Area to allow conservation and study of the atolls and coral reefs. Land has been purchased in Fiji in case it is necessary to implement the migration with dignity plans.
96. What is happening to the small island states is a warning to many other low lying areas – many cities are very vulnerable in many countries.
97. A paradigm shift is needed, not only in terms of international relations, but also in terms of economics. Kiribati only receives 5-8% of the proceeds of the \$4billion worth of fish taken from its fishing grounds each year. Surely a more just reallocation of resources is called for.
98. 2014 is the year of the Small Island Developing States³⁷. It is time for the international community to respond adequately to the vulnerability of these countries.
99. Points from discussion:
 - It is essential to pay close attention to process and keep up the momentum. It would be a tragedy if there were a weak outcome from the SDG process and this undermined the commitment to strong agreement at the COP21 meeting.
 - It is necessary to relate different strands of international discussion together – the SDGs, IPCC and SE4. All must work in tandem and all point in the direction of sustainable world order. The more there is a holistic approach, the better this will be for the LDCs. The more fragmentation in the discussions, the more damaging for LDCs.
 - It was suggested that there is a need for a global carbon budget, with emissions trading. Such a system could be established initially as a coalition of the willing with others subsequently joining.
 - In climate discussions, we are now moving into a new era of loss and damages (following on from and adding to consideration of mitigation and adaptation).

Session 8 – Gender equity

“There is a strong emerging consensus through a range of organisations that a stand-alone goal on gender equality is needed.”

100. In Bangladesh, there is awareness that a lot has been achieved through the MDGs on poverty eradication and education. India has had considerable progress in terms of growth, but there is a gender gap of one million “missing” girls. It is clear that the MDGs have not been enough to achieve gender equality. It is essential to put gender at the heart of the agenda for future development. As well as economic growth, it is essential to address ingrained prejudice and discrimination.
101. In South Asian family settings, women are often not safe, and do not have ownership rights. There is still a great deal to be done under the UN Convention on the Rights of the Child³⁸ - particularly on behalf of girls, and the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) has not been fully implemented³⁹.
102. In spite of the good work being done within the UN system, it is still hard to achieve a coordinated approach. With the possible exception of the Scandinavian countries, promises about representation of women are at best only partially fulfilled.
103. However, there is a strong emerging consensus through a range of organisations from the High Level Panel to the UN Global Compact that a standalone goal on gender equality is needed, as well as gender-specific targets and indicators in the other goals. This twin track approach is being echoed by an increasing number of governments.
104. There have been hard won gains on gender equality in the last 15 years of work on the MDGs. The gender gap in girls’ enrolment in primary and secondary education is falling and female literacy rates have improved. Women are living longer and are coming into the labour market in increasing numbers.
105. There is still a long way to go and the entrenched, structural issues underpinning gender inequality need to be addressed.
106. UN data shows that in 22 out of 25 African countries for which data is available, women are more likely than men to live in a poor household. Further, this data does not show women and girls who are living in poverty in “non-poor” households because of intra-household inequality.
107. Gender equality must remain central because women are still disproportionately represented among the poorest people in the world. Unless gender equality is directly addressed, women’s poverty will persist.
108. There are also instrumental reasons for addressing gender equality – including the relationship between gender equality and human development, economic growth and democratic governance.
109. Work conducted at the OECD’s Development Centre has shown that women’s access to resources is strongly correlated with child health outcomes even when controlling for country income levels. Furthermore, countries with higher levels of gender discrimination have higher maternal mortality rates⁴⁰.
110. A third reason that urgent attention is required is that there is a widespread backlash by conservative and at its most extreme, fundamentalist groups.
111. The lesson from the MDGs is that it is necessary to go beyond measuring and reducing gender gaps to achieve a framework which is capable of transforming the structural drivers which underpin gender inequality. A suitable dedicated gender goal, it was suggested, would need to address economic rights, women’s leadership and violence against women.
112. However, even if a standalone goal is necessary, is it politically achievable? In the UN Commission on the Status of Women (CSW - 2012) progress was blocked by conservative states which succeeded in framing women’s rights as a Western agenda. Progress could be made in 2013, even on contentious issues such as sexual and reproductive rights and health⁴¹. But this needs broad-based coalitions of NGOs working in support of governments which show sufficient resolve to argue out the issues to as good a conclusion

as can be achieved.

113. Resistance to gender equality can be presented as technical, when the real source of the resistance is political. Data availability needs to improve – but the UN Statistical Commission has developed 9 internationally agreed indicators of violence against women. Data on violence against women is already available for 95 countries. There are a number of data initiatives on gender equality which will produce further results.
114. From a gender perspective, the new framework needs to address:
- structural factors which underpin gender inequality;
 - women’s public profile and productive capacity – as well as private relations; and
 - intersectional discrimination and disadvantage experienced by the most marginalised women (e.g. disabled women, Dalit women, indigenous women etc).
115. The case of gender inequality is one where a strong standalone gender goal is required if the stated goal “leave no-one behind” is to be realized. There are at least three reasons for this:
116. First, politically, it is unthinkable that UN members could agree on a set of SDGs which does not reflect the gender goals and rights of 50% of the world population with at least the same prominence as in the MDGs, including with a self-standing goal which gives political visibility to women’s rights. Second, economically, one of the reasons why LDCs are poor is the lack of inclusion of women in the economy, work force, public and political participation, on an equal basis as men. Women and girls are discriminated against and marginalised, for whatever cultural, religious or political reasons, to a degree that holds back economic development. If LDCs are to grow and graduate sustainably into higher income levels, the barriers to women’s and girls’ empowerment must be eliminated. Gender equality is not a luxury but a necessity for prosperity. A main factor behind the Scandinavian success story is the strong participation of women in political and economic life. Economic experts have calculated that today - 100 years since women got the vote in Norway - the difference between the workforce participation of Norwegian women, at 75%, and the OECD average, is worth more than the entire oil fortune.
117. Third, legally, all nations have committed to international human rights conventions and treaties, including CEDAW, and have the obligation to bring national legislation in line with international commitments. Violations of women’s rights are systematic and widespread, not only in LDCs. This includes violence, which affects 1/3 of all women worldwide; early marriage, which has been imposed on 15 million 10-15-year-old girls in the past decade; discrimination and denial of property rights; and lack of access to education and health including sexual and reproductive health and rights. Countries cannot walk away from the commitments made in Cairo and Beijing.
118. Donor countries should aim for active leveraging of ODA as a catalyst to encourage a stronger focus on gender equality and women’s empowerment in partner nations, investing in government efforts where women’s rights are seen by leaders as a generator of growth and human rights, and investing in civil society and non-governmental efforts elsewhere.
119. Education for girls, including adolescents in secondary school, is a good example of a gender target under other goals which has a win-win cross-cutting effect, including on maternal and child health and mortality, through vaccination and nutrition programs, and on reproductive rights.
120. Experience from UN programmes in the field shows that schools can also be a useful platform for such programs and interventions, especially in rural areas where clinics are far and few between.
121. The inclusion of Sexual and Reproductive Health and Rights⁴², in the HLP report as a crucial health and gender issue was welcomed. This is a fundamental issue of human rights and women’s rights, of equality and empowerment of women and girls.
122. Discussion included the following points:

“Gender equality is a universal issue, but problems are particularly acute in conflict and post-conflict poor

countries – a stand-alone gender goal is necessary.”

- Gender equality is a universal issue, but problems are particularly acute in conflict and post-conflict poor countries – a stand alone gender goal is necessary. The High Level Panel text is pretty good. Targets are also needed elsewhere – on sexual and reproductive rights under health, access to water, food, health and education. This presents important data challenges.
- Under the MDGs the gender dimension was much too narrow. Other issues, including child marriages, must be addressed.
- Quotas can be helpful as an interim strategy, but are not ideal in the long-term.
- It is helpful that OECD countries are explicit that they also face challenges and need to commit to more intensive work. OECD countries do not feel uncomfortable discussing female genital mutilation (FGM) and child marriage – but do feel uncomfortable when strategies against domestic violence are under discussion.
- Inheritance law is a problem in many countries. In Bangladesh, for example, women only own 2% of property.
- Inequality and empowerment remain the key challenges – the MDGs helped progress in health and education, but there is still much more that needs to be done in property law and labour rights.
- LDC colleagues in New York are committed to strong work on these issues in the negotiations.

Session 9 – Good governance

123. The following were some of the points emerging from the discussion:

- **The High Level Panel** is quite strong on governance. However, much of the discussion in New York UN circles is of governance indicators as enablers. For example, freedom from conflict, safety and security, tackling corruption, rule of law, property rights, allowing investment and delivery of public services all contribute to good societies. At the same time, it has to be recognized that education, for example, is also an outcome.
- **Is good governance a new form of conditionality by the North?** In practice, it is more complicated than that. There is no perfect governance system anywhere in the world. In Tunisia, there were high levels of access to energy, water, housing and medical assistance – but people were dissatisfied with the governance system and lack of accountability. Mali was considered very democratic – when the collapse came there, it took quite a different form. Governance cannot be imposed from outside. In African systems, there is a high respect for the public good. Governance is part of society.
- **How can the international system and even the IFIs be effectively held to account?** When developing countries cannot repay relatively small amounts borrowed, they are pressurised to repay. When the banking system of the rich world gets into trouble it is bailed out and no-one seems to be held responsible. Governance is a global agenda. Rich countries need to do much more on illicit financial flows, cooperation on international crime, ensuring tax is paid where profit is generated. The IFIs need further reform to ensure that they really work for their intended beneficiaries and that they support development.
- It is easy to make a long list of desirable attributes of governance – but merely pointing out the gap between aspiration and reality does not necessarily help. Governance, like sustainable development as a whole, has an aspirational element. But it has to be generated from within societies, not imposed from outside. There are often huge gaps in perception. The analysis of conflict in Mali is quite different if one questions skilled internal observers or if one listens to the narratives of the Western news agencies. The international community was quick to press for negotiations with the killers – but people primarily wanted justice and accountability.
- **It is essential to understand the fundamental asymmetries of power and its importance.** Building better governance in an unjust world is a long-term process. Education, access to information and collective action by the LDCs all have their place. The principle of subsidiarity – of taking decisions at the level as close to the people as the problems can adequately be addressed (some problems are genuinely international and cross-border and have to be dealt with at that level) remains important.

“Governance is a global agenda.”

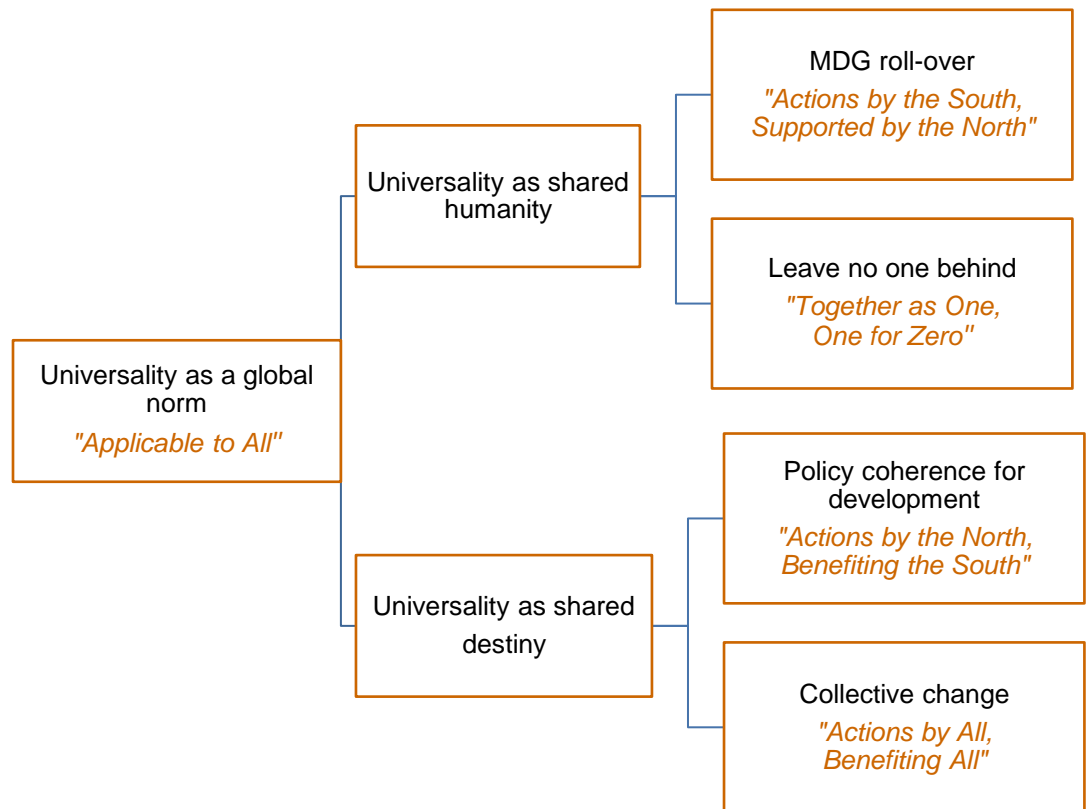
- **The goals described in the High Level Panel report are written as a consensus document and are quite general.** Thematically, it might be possible to merge 9-11 on natural resources, effective institutions and stable and peaceful societies. There is a great urgency to show results which can lead to mistakes.
- Some issues are important but highly context-specific. An example is land tenure systems.
- The Goals – particularly on governance – need to provide **an organising framework for cooperation** and open out a political space so that difficult issues can be on the agenda.
- **The case of Southern Sudan is a salutary warning:** the comprehensive sets of development plans worked out for the new state, with full international involvement, seemed to cover every angle, but now can be seen to have been formulated without real regard for the local political realities or capacity to carry them out.

Session 10 – What institutions, means of implementation, accountability mechanisms and tools to assess progress are needed to ensure the goals are on track?

124. Points emerging from the discussion included the following:

- **At the Rio conference (2012)⁴³, it was strongly affirmed that the goals need to be universal and ambitious.** There has tended to be too much of a focus on targets and indicators, and not enough attention to the overall framework of accountability. Universality means that the goals must apply to all. The MDGs were primarily about action in the South (often financed from the North. Where Sustainable Development Goals will require a transformation of production and consumption patterns in the North.
- **The commitment to “leave no-one behind” is of particular importance to LDCs which are having difficulty in fulfilling the MDGs.** This means that poverty eradication, meeting education or under-5 mortality targets is an obligation for the international community, not just the country in question.
- **The North is impeding the LDCs in their efforts to grow out of poverty.** High greenhouse gas emissions, trade regulations, migration issues, water depletion caused by unsustainable patterns of production and consumption, the digital divide and Southern technology needs all require the North to act to help create space of development.

“Poverty eradication and meeting education or under-five mortality targets are obligations for the international community, not just the country in question.”



- The **High Level Panel** report calls for a “Data revolution”⁴⁴. This is an eye-catching slogan – but the implications are huge. Accurate national accounts are lacking in many places. There is a huge gap between generalised impressions and real analysis based on household data followed through time. For example, a household survey tracking the fortunes of 3000 families in Vietnam through 10 years using panel data produces surprising results. Vietnam is a poverty-eradication “success story”, but 20% of the families are worse off.
- **There are sophisticated methodologies for coping, in the interim, with data gaps.** One example is social accounting matrices, which enable researchers to make more accurate assessments e.g. of household expenditure on some missing items if overall expenditure is known and some elements are accurate⁴⁵.
- **Detailed data is necessary to design policy skilfully.** For example introduction of improved cassava roots in Mozambique improved nutritional status and saved women 1/3 of their working time. This kind of intervention is only possible with detailed knowledge of the crops and gender disaggregated data.
- **Having a price for CO2 will be critical for changing behaviour.** To monitor changes, an accurate baseline is needed. With a firm carbon price, firms would then be able to make future investment plans about e.g. renewable energy generation.

125. **In the field of climate change, local data is also highly necessary.** Policy-relevant data needs do not just involve high level climate modelling. Farmers need to know at a very local level, what crops can be grown. For forestry in particular, this is very important for the longer-term. Sea level rises will have huge implications for small islands and coastal cities.

Session 11 – Feedback from break out groups

- Many feel that MDG 7 on sustainable development was side lined in the process of the last 15 years. This must not happen again.
- The power of money and the difficulty of financial control and tackling illicit flows is huge. For national resource management, the HLP proposed goals on Managing Natural Resource Assets Sustainably (9 a) and Ensuring Good Governance and Effective Institutions (10 d) are important and related.

“We all need to abide by same rules, no exceptions based on power at national or global levels.”

- We all need to abide by same rules, no exceptions based on power at national or global levels. **What should the LDCs prioritise for the next 18 months?** The first element should be working on actions to enable economic transformation for LDC economies. There is still work outstanding from the MDGs. Beating the projections – a big push to ensure that outcomes are better than anticipated on e.g. education, health, gender and climate resilient development. To leapfrog into a higher gear for the 21st century, fair investment, increased productive capacity, and strengthened education and training are necessary.
- It has to be recognized that **LDCs are disadvantaged and marginalised within the UN process**. OHRLLS and the LDC Independent Expert Group have an important role in assisting the coordination between delegations and supporting them in their coalition-building.
- **The “data revolution” should not just be a slogan, but a political commitment to provide the data needed for informed policy decisions.** National data generation on its own is not enough. Statistical offices are often not trusted as reliable. Informed citizens groups are needed, so that they can really engage in evidence-based advocacy.
- **Public resources including aid should be used to take social risks for the common good**, rather than relying on the private sector to be alone in taking risks.

126. The essential transformation – results from a “quick-fire” round with participants

- Reducing risk for all countries;
- “Stand alone” gender target – “don’t be complacent – there’s a big fight ahead”;
- Get beyond “muddling through on many issues” – focus on “non-zero-sum-game” goals – of the larger future, longer time horizons, and better/good life.
- Stress universality – this is not just about poverty, but the responsibility of all countries, including changing patterns of pollution and overconsumption.
- Goal on crime and violence – generally neglected by development sector.
- Transformation, inclusion, sustainability – new UNU-WIDER programme headings.
- Move from competition to cooperation. Partnerships strengthened through mutual commitments of goodwill.

Development agencies focus on what they can control – not what matters. There is a need to take more risks and involve other actors.

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Wilton Park | February 2014

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¹ This section draws on very useful summary remarks at the end of the conference by Heidi Schroderus-Fox (UN OHRLLS) and Essam Mohammed (IIED).

² <http://www.wfp.org/content/istanbul-programme-action-least-developed-countries-decade-2011-2020>

³ <http://www.un.org/millenniumgoals/pdf/A%20Life%20of%20Dignity%20for%20All.pdf>

⁴ <http://pubs.iied.org/pdfs/G03625.pdf>

⁵ <http://www.nobelprize.org/mediaplayer/index.php?id=1223>

⁶ See <http://policy-practice.oxfam.org.uk/publications/working-for-the-few-political-capture-and-economic-inequality-311312>

<http://oxfamblogs.org/fp2p/working-for-the-few-top-new-report-on-the-links-between-politics-and-inequality/>

⁷ <http://www.un.org/millenniumgoals/advocates/index.shtml>

⁸ See e.g. the campaign for an urban SDG - <http://urbansdg.org/>

⁹ <http://unsdsn.org/>

¹⁰ <http://www.odi.org.uk/projects/2676-chronic-poverty-advisory-network>

¹¹ <http://www.washingtonpost.com/blogs/worldviews/wp/2014/01/28/a-worrying-map-of-the-countries-most-likely-to-have-a-coup-in-2014/>

¹² <http://www.unwomen.org/en/news/stories/2014/1/press-release-on-outcome-of-the-au-summit-2014>

¹³ See the UN publication, *Reflections on UN Development Ideas* (2009) for the intellectual hostry and evolution of the concept – including the influence on Jan Tinbergen. <https://unp.un.org/details.aspx?entry=BY6V10>

¹⁴ See the CEPR Policy Insight paper by Buiter and Rahbari (2011), *Global growth generators: Moving beyond emerging markets and BRICs*. http://www.cepr.org/sites/default/files/policy_insights/PolicyInsight55.pdf

¹⁵ <http://www.unohrlls.org/UserFiles/File/LDC%20Documents/Tech%20Bank%20-%20Background%20Note%20for%203%20June%202013%20Event.pdf>

¹⁶ Cf for example the 15th UNU-WIDER Annual Lecture by Justin Yifu Lin , “From Flying Geese to Leading Dragons” (2011) http://wider.unu.edu/publications/annual-lectures/en_GB/AL15/

¹⁷ <http://www.taxjustice.net/>

¹⁸ On the importance of decent work and full employment for the post-2015 agenda, see e.g.

http://www.ilo.org/global/about-the-ilo/media-centre/press-releases/WCMS_222713/lang--en/index.htm

http://www.ilo.org/newyork/news/WCMS_224397/lang--en/index.htm

¹⁹ <http://www.myworld2015.org/>

²⁰ <http://www.tarayanafoundation.org/index.php/program>

²¹ Cf the campaign for sustainable energy for all <http://www.se4all.org/>

²² <http://www.imfn.net/african-model-forest-network>

²³ http://pfbc-cbfp.org/news_en/items/CAFM-EN.html and [http://pfbc-cbfp.org/news_en/items/SRAFM - Atelier REDD - Kinshasa-EE.html](http://pfbc-cbfp.org/news_en/items/SRAFM_-_Atelier_REDD_-_Kinshasa-EE.html)

²⁴ <http://www.wiser.org/organization/view/3c5b9ad73ae8138933a785c3baf54d4e>

²⁵ See Madhukar Uphadaya, Ponds and Landslides p. 14 Can be downloaded at:

<http://www.docstoc.com/docs/23918146/Ponds-and-Landslides>

²⁶ <http://www.odi.org.uk/opinion/7856-my-world-survey-unga-undp-global-priorities-one-million-votes> . An analysis of the first million votes is available at: <http://www.odi.org.uk/publications/7855-post-2015-my-world-unga>

The article cited is: Andrea Cornwall & Mamoru Fujita (2012): ‘Ventriloquising ‘the Poor’? Of voices, choices and the politics of ‘participatory’ knowledge production, *Third World Quarterly*, 33:9, 1751-1765.

²⁷ <http://www.participate2015.org/> - a short summary of some of the implications of voices from the margins and their implications for post-2015 is: http://www.ids.ac.uk/files/dmfile/Participate_A4_KeyFindings_FINAL_NoMarks-1.pdf
<http://www.participate2015.org/2013/10/25/involving-the-worlds-poorest-citizens-in-the-post-2015-agenda/>

http://www.ids.ac.uk/files/dmfile/Workwithus_HowpeopleandorganisationscancatalysesustainablechangeFINAL.pdf

²⁸ <http://www.ipcc.ch/>

²⁹ <http://www.fao.org/news/story/en/item/161819/icode/>

³⁰ http://www.worldbank.org/content/dam/Worldbank/document/Full_Report_Vol_2_Turn_Down_The_Heat_%20Climate_Extremes_Regional_Impacts_Case_for_Resilience_Print%20version_FINAL.pdf

³¹ Ibid p. xix.

³² <http://www.unep.org/newscentre/Default.aspx?DocumentId=2755&ArticleId=9705>

³³ https://www.irena.org/News/Description.aspx?NType=A&mnu=cat&PriMenuID=16&CatID=84&News_ID=351

³⁴ <http://cancun.unfccc.int/financial-technology-and-capacity-building-support/new-long-term-funding-arrangements/>

³⁵ <http://www.iied.org/cba8-8th-conference-community-based-adaptation-climate-change>

³⁶ <http://gadebate.un.org/67/kiribati> , <http://gadebate.un.org/68/kiribati>

<http://www.radioaustralia.net.au/international/radio/program/pacific-beat/kiribati-president-says-climate-change-a-focus-for-un-general-assembly/1195346>

³⁷ See: http://www.pacific.one.un.org/index.php?option=com_content&task=view&id=150&Itemid=210 and <http://www.unesco.org/new/en/natural-sciences/priority-areas/small-island-developing-states>

³⁸ <http://www.unicef.org/crc/>

³⁹ <http://www.un.org/womenwatch/daw/cedaw/cedaw.htm>

⁴⁰ <http://www.oecd.org/social/poverty/genderatthedevelopmentcentre.htm>

⁴¹ <http://www.un.org/womenwatch/daw/csw/57sess.htm>

⁴² See the explanation of the content of SRHR on the Swedish government’s human rights website.

<http://www.manskligarattigheter.se/en/human-rights/what-rights-are-there/sexual-and-reproductive-health-and-rights-srhr>

⁴³ <http://www.uncsd2012.org/>

⁴⁴ See the High Level Panel Report, pp. 23-4

⁴⁵ For a brief introduction with guide to follow-up literature , see:

http://siteresources.worldbank.org/INTPSIA/Resources/490023-1121114603600/14536_19_SAM.pdf For examples from a leading agency working on food and nutrition issues: see: <http://www.ifpri.org/category/dataset-type/social-accounting-matrices>

Acronyms

GC	Global Compact
HLP	High Level Panel
IIED	International Institute for Environment and Development
IPOA	Istanbul Programme of Action
IPCC	Intergovernmental Panel on Climate Change
LDCs	Least Developed Countries
ODA	Official Development Assistance
SDG	Social Development Goals
SIDS	Small Island Developing States
SDSN	Sustainable Development Solutions Network
UN OHRLLS	UN Office of the High Representative for Least Developed Countries, Landlocked Developing Countries and Small Island Developing States
UNU-WIDER	United Nations University – World Institute for Development Economics Research