

Office of the President of ECOSOC
An informal list of development related recommendations drawn from the Report of the Secretary General¹ and
Global Monitoring and Millennium Project reports
(APRIL 18, 2005)

Topics	Secretary General's Report	Millennium Project Report	Global Monitoring
MDGs and Monterrey	<p>Each developing country has primary responsibility for its own development — strengthening governance, combating corruption and putting in place the policies and investments to drive private sector- led growth and maximize domestic resources available to fund national development strategies.</p> <p>Developed countries, on their side, undertake that developing countries which adopt transparent, credible and properly costed development strategies will receive the full support they need, in the form of increased development assistance, a more development-oriented trade system and wider and deeper debt relief. All of this has been promised but not delivered. That failure is measured in the rolls of the dead and on it are written millions of new names each year.</p> <p>To that end, each developing country with extreme poverty should by 2006 adopt and begin to implement a national development strategy bold enough to meet the Millennium Development Goals targets for 2015.</p> <p>However well crafted on paper, investment strategies to achieve the Millennium Development Goals will not work in practice unless supported by States with transparent, accountable systems of governance, grounded in the rule of law, encompassing civil and political as well as economic and social rights, and underpinned by accountable and efficient public administration.</p> <p>Similarly, without a dynamic, growth-oriented</p>	<p>The Monterrey Consensus offers a valuable framework for action, though many of its key commitments remain unfulfilled. Six important highlights are:</p> <p>First, committed to a broad-based development agenda.</p> <p>Second, recognized the need for a new partnership of rich and poor countries based on good governance and expanded trade, aid, and debt relief.</p> <p>Third, distinguished between developing countries that have adequate infrastructure and human capital to attract private investment (mainly middle-income countries) and those that must rely on official development assistance to build up infrastructure and human capital (mainly low-income and especially Least Developed Countries);</p> <p>Fourth: identified several regions where ODA is particularly necessary to meet the Goals. In Africa, Least Developed Countries, small island developing states, and landlocked developing countries, ODA is still the largest source of external financing and is critical to the achievement of the development goals and targets of the Millennium Declaration.</p> <p>Fifth: recognized that significant increases of ODA would therefore be needed, and the donor countries committed to provide those additional resources, including the long-standing target of 0.7 percent of GNP.</p> <p>Sixth, noted that trade is a critical engine of growth and that low income countries need two kinds of help to improve trade: improved market access in high income markets and financial resources to remove supply-side constraints through investments in trade infrastructure, technology, and institutions.</p> <p>The Goals [MDGs] not only reflect global justice and human rights —they are also vital to international and national security</p>	<p>The Millennium Development Goals (MDGs) and the Monterrey Consensus have created a powerful global compact for development. But the continued credibility of this compact hinges on fostering momentum in its implementation.</p> <p>The Monterrey Consensus created a framework of mutual accountability between developing and developed countries in the quest for these goals, calling on developing countries to improve their policies and governance and developed countries to open their markets and provide more and better aid. With consensus on the goals and the responsibilities for action, the focus was put squarely on implementation.</p> <p>Developing countries must themselves take the lead in articulating and implementing strategies that aim higher, to rise above current trends and substantially accelerate progress. That will require improvements in policies and governance to achieve stronger economic growth and scale up the delivery of human development and related key services.</p> <p>Developed countries must also raise their game, and live up to the commitments they made at Monterrey.</p> <p>Providing more, and better, aid is an important part of such efforts. But it is not all. A “big push” in aid is not the sole answer. International development policy needs to move beyond the aid silo, and aim for a set of actions that cohere into a big push—including, importantly, trade policy reform but also other policies that affect development, such as those involving private capital flows, knowledge and technology transfer, security, and the environment.</p> <p>A Five-Point Agenda for accelerating progress towards the MDGs:</p>

¹ A/59/2005.

<p>economic policies supporting a healthy private sector capable of generating jobs, income and tax revenues over time, sustainable economic growth will not be achieved</p> <p>Civil society organizations have a critical role to play in driving this implementation process forward to “make poverty history”.</p> <p>Each national strategy needs to take into account seven broad “clusters” of public investments and policies which directly address the Millennium Development Goals and set the foundation for private sector-led growth. Gender equality: overcoming pervasive gender bias; Environment: investing in better resource management; Rural development: increasing food output and incomes; Urban development: promoting jobs, upgrading slums and developing alternatives to new slum formation; Health systems: ensuring universal access to essential services; Education: ensuring universal primary, expanded secondary and higher education; Science, technology, and innovation: building national capacities.</p> <p>I call on the international community to provide urgently the resources needed for an expanded and comprehensive response to HIV/AIDS (UNAIDS) and its partners, and to provide full funding for the Global Fund to Fight AIDS, Tuberculosis and Malaria.</p> <p>The urgent task in 2005 is to implement in full the commitments already made and to render genuinely operational the framework already in place.</p> <p>The principles of mutual responsibility and mutual accountability that underpinned the Monterrey Consensus are sound and need to be translated into deeds.</p> <p>The September summit must produce a pact for action, to which all nations subscribe and on which all can be judged.</p> <p>The Millennium Development Goals must no longer be floating targets, referred to now and</p>	<p>and stability.</p> <p>Achieving the Goals [MDGs] is largely about making core investments in infrastructure and human capital that enable people to join the global economy, while empowering the poor with economic, political and social rights...</p> <p>Developing country governments should adopt development strategies bold enough to meet the Millennium Development Goal (MDG) targets for 2015. We term them MDG-based poverty reduction strategies. To meet the 2015 deadline, we recommend that all countries have these strategies in place by 2006. Where Poverty Reduction Strategy Papers (PRSPs) already exist, those should be aligned with the MDGs</p> <p>The MDG-based poverty reduction strategies should anchor the scaling up of public investments, capacity building, domestic resource mobilization, and official development assistance. They should also provide a framework for strengthening governance, promoting human rights, engaging civil society, and promoting the private sector. The MDG-based poverty reduction strategies should:</p> <p>Be based on an assessment of investments and policies needed to reach the Goals by 2015.</p> <p>Spell out the detailed national investments, policies, and budgets for the coming three to five years.</p> <p>Focus on rural productivity, urban productivity, health, education, gender equality, water and sanitation, environmental sustainability, and science, technology, and innovation.</p> <p>Focus on women's and girls' health (including reproductive health) and education outcomes, access to economic and political opportunities, right to control assets, and freedom from violence.</p> <p>Promote mechanisms for transparent and decentralized governance.</p> <p>Include operational strategies for scale-up, such as training and retaining skilled workers.</p> <p>Involve civil society organizations in decision-making and service delivery, and provide resources for monitoring and evaluation.</p>	<p>Anchor actions to achieve the MDGs in country-led development strategies:</p> <p>Operationalize the MDGs in country-owned and led poverty reduction strategies, linked to medium-term fiscal frameworks. Donors should use these strategies as the basis for aligning and harmonizing assistance.</p> <p>Improve environment for stronger, private sector led economic growth:</p> <p>Strengthen fiscal management, with a focus on the structure of public spending.</p> <p>Improve the enabling climate for private activity, by removing regulatory and institutional constraints and strengthening economic infrastructure.</p> <p>Improve governance—by upgrading public sector management and combating corruption.</p> <p>Scale up delivery of human development services</p> <p>Rapidly increase the supply of skilled service providers (health workers, teachers).</p> <p>Provide increased, flexible, and predictable financing for these recurrent cost-intensive services.</p> <p>Manage the service delivery chain to ensure that money produces results.</p> <p>Dismantle barriers to trade</p> <p>Achieve an ambitious outcome to the Doha Round that fully realizes its development promise, including in particular a major reform of agricultural trade policies in high-income countries, completing the Round no later than 2006.</p> <p>Augment assistance to poor countries to address behind-the-border constraints to their trade capacity, through investments in critical trade-related infrastructure.</p> <p>Substantially increase the level and effectiveness of official development assistance.</p> <p>Double ODA in the next five years to support the MDGs, particularly in low-income countries and Sub-Saharan Africa, aligning the pace of the increase with recipients'</p>
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Trade	<p>While trade does not obviate the need for large scale ODA-supported development investments, an open and equitable trading system can be a powerful driver of economic growth and poverty reduction, especially when combined with adequate aid.</p> <p>Development therefore rightly lies at the heart of the World Trade Organization (WTO) Doha round of multilateral trade negotiations.</p> <p>At present, developing countries are often</p>	<p>As outlined in Monterrey, an MDG-based international trade policy should focus on two overarching issues:</p> <p>Improved market access and terms of trade for the poor countries.</p> <p>Improved supply-side competitiveness for low-income country exports, through increased investments in infrastructure (roads, electricity, ports) and trade facilitation.</p>	<p>A timely and pro-development outcome to the Doha Round, therefore, is crucial. The Doha Ministerial Declaration put development at the centre stage of the trade reform agenda. The international community must raise the level of its ambition with respect to the Doha Round and aim for an outcome that is equal to that vision. High-income countries must lead by example.</p> <p>The ambition should centre on a major reduction in market access barriers, and in particular a transformation of agriculture trade policy in high-income countries. Taking into account both tariff and nontariff measures, trade policy</p>

	<p>denied a level playing field to compete in global trade because rich countries use a variety of tariffs, quotas and subsidies to restrict access to their own markets and shelter their own producers.</p> <p>The December 2005 WTO ministerial meeting offers a chance, which must not be missed, to map out agreement on how to correct these anomalies.</p> <p>An urgent priority is to establish a timetable for developed countries to dismantle market access barriers and begin phasing out trade-distorting domestic subsidies, especially in agriculture. To address this priority, the Doha round of multilateral trade negotiations should fulfil its development promise and be completed no later than 2006.</p> <p>As a first step, Member States should provide duty-free and quota-free market access for all exports from the least developed countries.</p>	<p>In the nearer term context of the Doha Development Agenda and the Goals, we recommend that the following key outcomes be agreed upon before mid-2005.</p> <p>Global political leaders first agree to a conveniently distant long-term target (for example 2025) for the total removal of barriers to merchandize trade, a substantial and across-the-board liberalization of trade in services, and the universal enforcement of the principles of reciprocity and non-discrimination.</p> <p>Agriculture: Highest priority should go to improved market access, with significant reduction in tariff peaks and escalations and the phasing out of specific duties on the exports of low-income countries (such as cotton). A binding commitment to abolish export subsidies and two-tier price schemes should also be made in the near term.</p> <p>Non-agricultural Merchandise: In the Doha Round Developed countries should aim to bind all tariffs on non-agricultural merchandise at zero by 2015. A mid-term goal could be for no tariff higher than 5 percent by 2010. Developing countries could then aim for a zero tariff by 2025.</p> <p>Services: The liberalization of mode 4 of the General Agreement on Trade in Services (GATS)- temporary movement of labor to provide services- should be adopted as a high priority in the Doha Round.</p> <p>Special and Differential treatment: Special and differential treatment makes sense for developing economies that generally have a more limited ability to take advantage of new trade opportunities and to bear adjustment costs.</p> <p>A temporary Aid for Trade Fund commensurate with the size of the task would allow commitments to be made to address adjustments costs associated with the implementation of a Doha reform agenda.</p> <p>High-income countries should open their markets to developing country exports through the Doha trade round and help Least Developed Countries raise export competitiveness through investments in critical trade-related infrastructure, including electricity, roads, and ports. The Doha Development Agenda should be fulfilled and the Doha Round completed no later than 2006.</p>	<p>in high-income countries is more than seven times as restrictive in agriculture as in manufacturing.</p> <p>Ambitious reference points would be helpful in guiding the negotiations, including:</p> <p>Agriculture: Reduction of all agricultural tariffs to no more than 10 percent, elimination of all agricultural export subsidies, and complete decoupling of domestic agriculture subsidies and rural support from production. Manufacturing: Elimination of all tariffs on manufactured products.</p> <p>Services: Commitments to ensure free cross-border trade in services delivered over telecommunications networks, complemented by actions to liberalize the temporary movement of service providers.</p> <p>For these actions to assist in attaining the MDGs, they should be completed by 2015, with major progress achieved by 2010.</p> <p>Significant trade policy commitments by developing countries themselves are an essential, and equally urgent part of the agenda to realize the potential of trade for development, including tapping the considerable scope that exists for expanded trade among them.</p> <p>Complementing an ambitious Doha outcome, “aid for trade” should be scaled up substantially. For many low-income countries, fully capturing the opportunities arising from improved market access, as well as their own trade reforms, requires addressing the ‘behind-the-border’ constraints on their trade capacity.</p>
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ODA	<p>Developed countries that have not already done so should establish timetables to achieve the 0.7 per cent target of gross national income for official development assistance by no later than 2015, starting with significant increases no later than 2006 and reaching 0.5 per cent by 2009.</p> <p>Starting in 2005, developing countries that put forward sound, transparent and accountable national strategies and require increased development assistance should receive a sufficient increase in aid, of sufficient quality and arriving with sufficient speed to enable them to achieve the Millennium Development Goals.</p> <p>The international community should in 2005 launch an International Finance Facility to support an immediate front-loading of ODA, underpinned by scaled-up commitments to achieving the 0.7 per cent ODA target no later than 2015. In the longer term, other innovative sources of finance for development should also be considered to supplement the Facility.</p> <p>These steps can and should be supplemented by immediate action to support a series of “quick wins” — relatively inexpensive, high-impact initiatives with the potential to generate major short-term gains and save millions of lives.</p> <p>In follow-up to the March 2005 Paris High-level Forum on Aid Effectiveness, donor countries should set, by September 2005, timetables and monitorable targets for aligning their aid delivery mechanisms with partner countries’ Millennium Development Goals-based national strategies.</p>	<p>The development aid system has the potential to help countries achieve the Goals [MDGs], but it needs a much more focused approach to do so. Ten main problems with the [aid] system are: Lack of MDG-based aid process; Development partners do not approach country-level needs systematically; Most development processes are stuck in the short run; Technical support is inadequate for MGD scale-up; Multilateral agencies are not coordinating their support; Development assistance is not set to meet the Goals; Debt relief is not aligned with the Goals; Development finance is of very poor quality; Major MDG priorities are systematically overlooked; Policy incoherence is pervasive.</p> <p>Key measures to improve aid delivery: Confirm the Goals as concrete operational targets for countries; Differentiate donor support according to country-level needs; Support 10-year frameworks to anchor 3-to-5 year strategies; Coordinate technical support around the Goals; Strengthen the UN Development Group and the UN Resident Coordinator; Set ODA levels according to proper needs assessment; Deepen and extend debt relief and provide grants rather than loans; Simplify and harmonize bilateral aid practices to support country programs; Focus on overlooked priorities and neglected public goods; Measure policy coherence against MDGs.</p> <p>High-income countries should increase official development assistance (ODA) from 0.25 percent of donor GNP in 2003 to around 0.44 percent in 2006 and 0.54 percent in 2015 to support the Millennium Development Goals, particularly in low-income countries, with improved ODA quality (including aid that is harmonized, predictable, and largely in the form of grants-based budget support). Each donor should reach 0.7 percent no later than 2015 to support the Goals and other development assistance priorities. Debt relief should be more extensive and generous.</p> <p>ODA should be based on actual needs to meet the Millennium Development Goals and on countries' readiness to use the ODA effectively.</p> <p>Aid should be oriented to support the MDG-based poverty reduction strategy, rather than to support donor-driven projects.</p> <p>Donors should measure and report the share of their ODA that supports the actual scale-up of MDG-related investments.</p>	<p>Developing countries must exert stronger efforts to mobilize more domestic resources to support accelerated progress toward the development goals.</p> <p>They also must build on progress in reforms that enhance their ability to attract private non-debt capital inflows, especially foreign direct investment.</p> <p>Moreover, in a number of countries, workers’ remittances are becoming an increasingly important source of private external finance.</p> <p>Still, for most low-income countries, official development assistance (ODA) remains a major source of external finance. For poor and least developed countries, it remains the predominant source.</p> <p>Donors are beginning to respond to the need to increase aid, following up on their Monterrey commitments.</p> <p>This is encouraging, but aid remains well short of what the poor countries need and can use effectively. At least a doubling of ODA will be needed within the next five years to support adequate progress toward the MDGs.</p> <p>To signal that needed resources will be forthcoming, 2005 is an opportune time for donors to raise their initial post-Monterrey commitments and extend them over a longer time horizon— 2010 or beyond.</p> <p>Both how aid is allocated across countries and how increases are sequenced within countries must be aligned with the recipients’ absorptive capacity.</p> <p>Support to capacity-building is particularly important for low-income countries under stress (LICUS).</p> <p>Increasing the quality of aid is just as important as increasing its quantity.</p> <p>The year 2005 should also see progress on ongoing work on the merits and feasibility of innovative modalities for mobilizing resources to fund the needed increases in aid and ensure their timely availability, including the proposed International Finance Facility and global taxes related to important international externalities, such as carbon emissions.</p>
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		<p>Middle-income countries should also seek opportunities to become providers of ODA and give technical support to low-income countries.</p> <p>Even if all existing commitments were met over the next five years, the world would still experience a significant financing shortfall. Several initiatives have explored innovative financing mechanisms to overcome fiscal constraints to a rapid scaling-up of aid volumes. Among them we consider the International Finance Facility (IFF), as the most advanced proposal for achieving a rapid increase in development assistance.</p>	
Debt	<p>To move forward, we should redefine debt sustainability as the level of debt that allows a country to achieve the Millennium Development Goals and reach 2015 without an increase in debt ratios.</p> <p>For most HIPC countries, this will require exclusively grant-based finance and 100 per cent debt cancellation, while for many heavily indebted non-HIPC and middle-income countries, it will require significantly more debt reduction than has yet been on offer.</p> <p>Additional debt cancellation should be achieved without reducing the resources available to other developing countries, and without jeopardizing the long-term financial viability of international financial institutions.</p>	<p>Criteria for evaluating the sustainability of a country's debt burden must be consistent with the achievement of the Goals.</p> <p>The targets for debt relief are based on arbitrary indicators (debt-to-export ratios) rather than MDG-based needs. Many heavily indebted poor countries (HIPCs) retain excessive debt owed to official creditors (such as the Bretton Woods Institutions) even after relief. Many middle-income countries are in a similar situation and receive little or no debt relief.</p> <p>“Debt sustainability” should be redefined as “the level of debt consistent with achieving the Millennium Development Goals,” arriving in 2015 without a new debt overhang. For many heavily indebted poor countries, this will require 100 percent debt cancellation. For many heavily indebted middle-income countries, this will require more debt relief than has been on offer. For some poor countries left off the heavily indebted poor countries (HIPC) list, meeting the Goals will require significant debt cancellation. A corollary for low-income countries is that current and future ODA should be grants rather than loans.</p>	<p>For heavily indebted poor countries, debt relief is important to increase the fiscal space for much-needed increases in spending to promote growth and reduce poverty and to relieve the debt overhang. Continued and effective implementation of the HIPC Initiative remains key.</p> <p>With respect to current proposals for additional debt relief, efforts should be made to reach closure in 2005. Any additional debt relief should not cut into the provision of needed new financing, which for these countries should be primarily in the form of grants.</p>
Technology Transfer and Capacity Building	<p>To help drive economic development and to enable developing countries to forge solutions to their own problems, a significantly increased global effort is required to support research and development to address the special needs of the poor in the areas of health, agriculture, natural resource and environmental management, energy and climate.</p>	<p>Any strategy to meet the goals require a special global effort to build scientific and technological capacities in the poorest countries, both to help drive economic development and to help forge solutions to developing countries own scientific challenges.</p> <p>A major worldwide effort in preservice skill training should be launched simultaneously in 2005 to overcome the immediate scale-up constraints in human resources. International agencies and bilateral donors should work with low-income countries to prepare serious strategies and training materials for use at the village and city level.</p>	<p>IFI research has helped to articulate the global development agenda, making notable contributions on trade and aid, among other areas. But they need to do more – including systematically keeping track of where the capacity gaps are, as a basis for guiding donor actions...</p>

		International donors should mobilize support for global scientific research and development to address special needs of the poor in areas of health, agriculture, natural resource and environmental management, energy, and climate. We estimate the total needs to rise to approximately \$7 billion a year by 2015.	
Systemic issues	<p>The international financial institutions are essential to ensuring development around the world and successful implementation of the Millennium Development Goals. I encourage them to ensure that the country programmes they support are ambitious enough to achieve the Millennium Development Goals. In addition, these institutions and their shareholders should consider what changes they might undergo in order to better reflect the changes in the world's political economy since 1945.</p> <p>This should be done in the context of the Monterrey Consensus agreement to broaden and strengthen the participation of developing and transition countries in international economic decision-making and norm-setting.</p> <p>The Bretton Woods institutions have already taken some steps to strengthen the voice and participation of developing countries. But more significant steps are needed to overcome the widespread perception among developing countries that they are underrepresented in both bodies, which in turn tends to put their legitimacy in doubt.</p>	<p>The UN Secretary-General and the UN Development Group should strengthen the coordination of UN agencies, funds, and programs to support the MDGs, at headquarters and country level. The UN Country Teams should be strengthened and should work closely with the international financial institutions to support the Goals.</p> <p>The UN Country Teams should be properly trained, staffed, and funded to support program countries to achieve the Goals.</p> <p>The UN Country Team and the international financial institutions (World Bank, International Monetary Fund, regional development banks) should work closely at country level to improve the quality of technical advice.</p>	
Environment	<p>At the country level, national strategies must include investments in improved environmental management and make the structural changes required for environmental sustainability. Today, three major challenges for the international community require particularly urgent action, as described below:</p> <p>Desertification: To combat desertification, the international community must support and implement the United Nations Convention to Combat Desertification. Particularly in Africa.</p>	<p>Climate change is a major development issue that needs to be addressed urgently. Unless global warming slows down, the incidence of droughts and floods will likely increase, vector-borne diseases will probably expand their reach, and many ecosystems, such as mangroves and coral reefs, will likely be put under great strain. In short, achievements in the fight against disease, hunger, poverty and environmental degradation risk being unravelled by climate change.</p> <p>In addition to an improved scientific understanding of climate change and country-level adaptation strategies, the world must mitigate climate change by stabilizing greenhouse gas emissions</p>	

	<p>Biodiversity: All governments should take steps, individually and collectively, to implement the Convention on Biological Diversity and the Johannesburg commitment to achieve a significant reduction in the rate of loss of biodiversity by 2010.</p> <p>Climate change: We must develop a more inclusive international framework beyond 2012, with broader participation by all major emitters and both developed and developing countries, to ensure a concerted globally defined action, including through technological innovation, to mitigate climate change, taking into account the principle of common but differentiated responsibilities.</p>	<p>mitigate climate change by stabilizing greenhouse gas emissions, promoting carbon sequestration, and helping countries adapt to the effects of climate change.</p> <p>Additional measures must be implemented to stabilize greenhouse gas concentrations, in the atmosphere in the near future.</p> <p>As agreed at Johannesburg, primary responsibility for mitigating climate change and other unsustainable patterns of production and consumption, such as the over harvesting of goals fisheries, must lie with the countries that cause the problems. Those are the high income and some of the rapidly growing middle-income countries</p>	
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