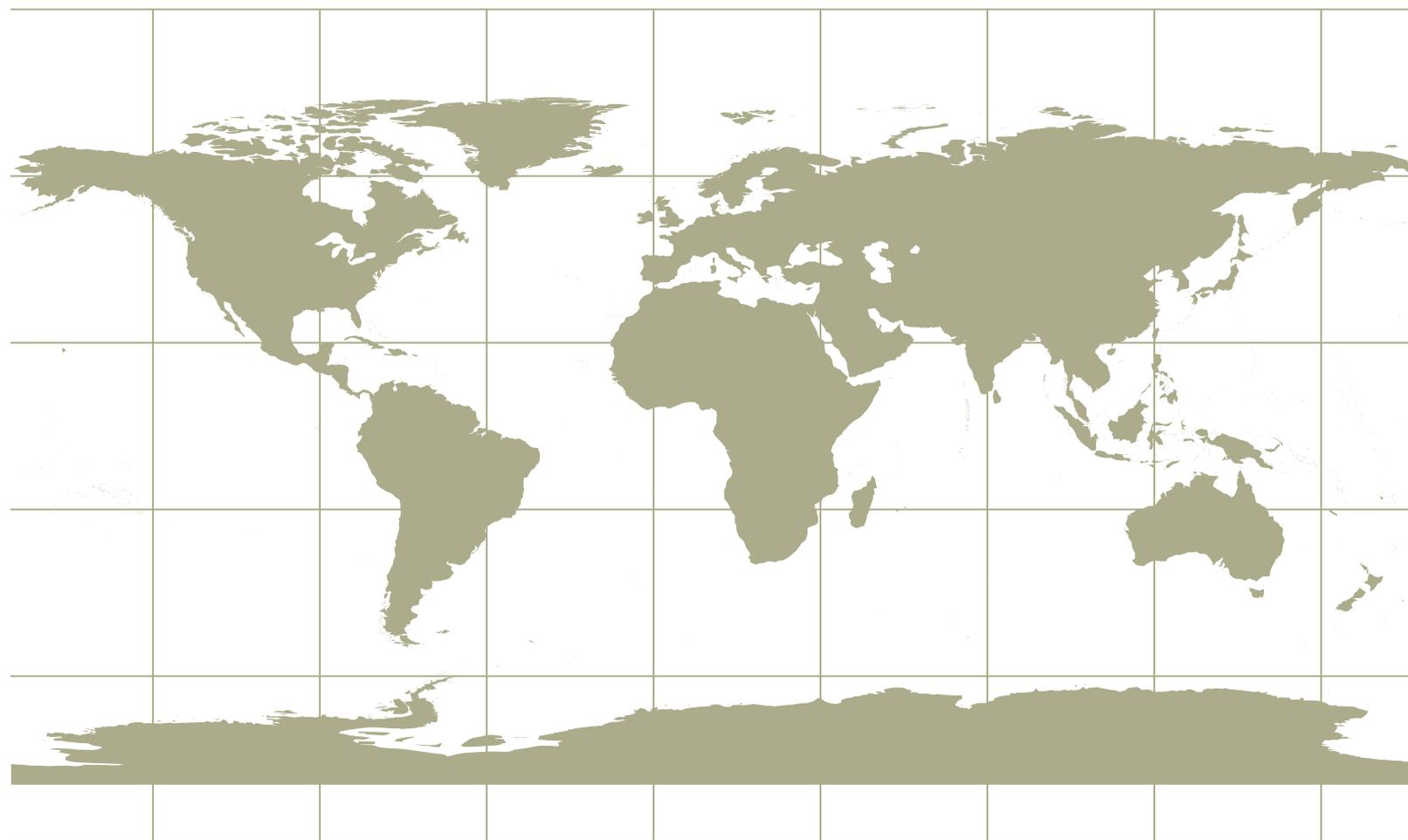


Department of Economic and Social Affairs

World Economic and Social Survey 2014/2015

# Learning from national policies supporting MDG implementation



United Nations  
New York, 2016

# DESA

The Department of Economic and Social Affairs of the United Nations Secretariat is a vital interface between global policies in the economic, social and environmental spheres and national action. The Department works in three main interlinked areas: (i) it compiles, generates and analyses a wide range of economic, social and environmental data and information on which States Members of the United Nations draw to review common problems and to take stock of policy options; (ii) it facilitates the negotiations of Member States in many intergovernmental bodies on joint courses of action to address ongoing or emerging global challenges; and (iii) it advises interested Governments on the ways and means of translating policy frameworks developed in United Nations conferences and summits into programmes at the country level and, through technical assistance, helps build national capacities.

## Note

Symbols of United Nations documents are composed of capital letters combined with figures.

E/2015/50/Rev.1  
ST/ESA/360  
ISBN: 978-92-1-109171-7  
eISBN: 978-92-1-057270-5

United Nations publication  
Sales No.: E.15.II.C.1  
Copyright © United Nations, 2016  
All rights reserved

# Preface

The Millennium Declaration, adopted by United Nations Member States at the dawn of this century, reaffirmed the fundamental values and principles of the United Nations and pledged to spare no effort to free all women, men, girls and boys from the abject and dehumanizing conditions of poverty. The Millennium Development Goals (MDGs), based on the Declaration, have proved to be one of the most important initiatives undertaken by the United Nations to promote development for all.

Through concerted efforts at the international and national levels, significant progress was made towards achieving the MDGs between 2000 and 2015. For example, the world reached the global poverty reduction target five years ahead of schedule, and also the target for improved drinking water. Major progress was also made with regard to primary education and the fight against diseases such as HIV/AIDS, malaria and tuberculosis. Nevertheless, shortfalls remain in achieving the targets related to reduction of hunger and child and maternal mortality, gender equality and environmental sustainability. Large gaps still exist in the delivery of the global partnership commitments, particularly in official development assistance. Progress was also uneven across countries and among different population groups and regions within countries.

Currently, more than a billion people still live in extreme poverty. Progress in health and education is hampered by significant inequality across income groups, gender, ethnicity, disability, age and location. Biodiversity loss, degradation of water, drylands and forests, and the intensifying risks of climate change threaten to reverse achievements made thus far and undermine any future gains. Meanwhile, human development in many parts of the world is in jeopardy due to conflict, violence, insecurity and injustice.

Two thousand fifteen was a year of global action on the unfinished business of the MDGs and the many other challenges facing humankind. Once again, the United Nations Member States have taken the leading role in promoting development for all and, through an inclusive consultation process, formulated the 2030 Agenda for Sustainable Development, launched by global leaders in September along with a set of Sustainable Development Goals (SDGs). The new agenda is people-centred and planet-sensitive to ensure human dignity, equality, environmental stewardship, healthy economies, freedom from want and fear, and a renewed global partnership for sustainable development.

As the MDG experience showed us, setting ambitious goals is merely the beginning; achieving the goals requires concrete actions, including a comprehensive design of policies and strategies, adequate financing and other means of implementation, and effective institutions to execute the plan and oversee progress.

The 2014/2015 issue of the *World Economic and Social Survey* provides a timely review of economic, social and environmental policies that were implemented at the national level, as well as the enabling conditions in governance, institutions and global partnerships, which together brought about significant progress towards achieving the MDGs. The *Survey* draws a set of useful policy lessons that Member States will find

helpful in formulating strategies and policies for implementation of the 2030 Agenda for Sustainable Development, including the SDGs.

I commend this *Survey* to policymakers, multi-stakeholder partners, researchers, and concerned individuals who are committed to building a better and sustainable future for the world.

A handwritten signature in black ink, consisting of stylized Chinese characters '吴红波' (Wu Hongbo). The signature is fluid and cursive, with a long horizontal stroke extending to the right.

*WU Hongbo*

*Under-Secretary-General for Economic and Social Affairs*

# Acknowledgements

The World Economic and Social Survey is the flagship publication on major development issues prepared by the Department of Economic and Social Affairs of the United Nations Secretariat (UN/DESA).

Under the overall guidance of Lenni Montiel, Assistant Secretary-General for Economic Development at UN/DESA, the *Survey 2014/2015* was produced by a team in the Development Policy and Analysis Division. S. Nazrul Islam and Marco V. Sánchez were the team leaders, and the core members included Nicole Hunt, Alex Julca, Hiroshi Kawamura, Pierre Kohler, Marcelo LaFleur, Hamid Rashid and John Winkel. Administrative support was provided by Gerard F. Reyes. Ramona Kohrs of the Department of Public Information provided bibliographical support.

Substantive contributions in the form of comments at various stages and draft text for boxes and sections were also made by colleagues from other offices and divisions within UN/DESA, including Diana Alarcón, Jorge Bravo, Thomas Boehler, Peter Chowla, Philipp Erfurth, John-Mary Kauzya, Arpine Korekyan, Michael Lennard, Caroline Lombardo, Yongyi Min, Jonathan Perry, Swashat Sapkota, Wen Shi, Shari Spiegel, David O'Connor, Neil Pierre, Ilka Ritter, Joop Theunissen, Yang Wenyan and Juwang Zhu.

Substantive contributions were also made by José Antonio Alonso, Ann Biddlecom, Henk-Jan Brinkman, Anis Chowdhury, Sarah Cliffe, Michael Cohen, Casper Edmonds, Birger Fredriksen, Lynn Freedman, Sakiko Fukuda-Parr, Patrick Gerland, Barry Herman, Arif Husain, Selim Jahan, Jeroen Kwakkenbos, Huanyu Liu, Bingke Ning, Babatunde Omilola, Jose Palacin, Aurelio Parisotto, Veronica Piatkov, Corli Pretorius, Sanjay Reddy, Juan Rengifo-Borrero, Benu Schneider, Binayak Sen, Nriya Subramaniam, Brian Tomlinson, Jos Verbeek, Inga Winkler and Thomas Yanga.

Dora Almassy, Livia Bizikova, Mariele Evers, Laszlo Pinter, David Satterthwaite, Drew Shindell and Melissa Tullis contributed the background research.



## Executive Summary

# Learning from national policies supporting MDG implementation

## Introduction

The launching of the Millennium Development Goals (MDGs) at the dawn of this century ushered in one of the most important initiatives undertaken by the United Nations. The implementation of this initiative formally expired in 2015 and the world is now set to embrace the 2030 Agenda for Sustainable Development. This Agenda succeeds the MDGs, includes the unfinished business of those Goals, and puts forth a set of sustainable development goals (SDGs). It is therefore incumbent upon the United Nations to draw policy lessons learned during the period of MDG implementation in order to support SDG implementation at the country level. This *Survey* aims to contribute to this endeavour.

## The legacy of the past fifteen years

Concerted efforts at the international, national and subnational levels brought about significant progress towards achieving the MDGs between 2000 and 2015. Globally, the goals for poverty reduction and improved drinking water were reached five years ahead of schedule. Major progress was made with respect to primary education and the fight against AIDS, malaria and tuberculosis. However, some targets were not met, particularly those for reducing hunger, child and maternal mortality, improving gender equality, and environmental sustainability. Large gaps also remain in the delivery of global partnership commitments, particularly with regard to official development assistance (ODA). In addition, progress has been uneven across countries, among different population groups, and in particular regions within countries. Completing the targets set in the MDG agenda will be among the challenges of the 2030 Agenda for Sustainable Development.

Notwithstanding the remaining challenges, the world has climbed higher on the development ladder over the past fifteen years. At the same time, the global development agenda crystallized in the MDGs has been important for development thinking and practice, especially as evidenced in the following:

- The formulation of the MDGs shifted the emphasis from economic growth to a broader development agenda prioritizing issues related to poverty reduction, education, health and gender;
- The MDGs became a framework for development cooperation and a point of reference for the programmatic activities of multilateral institutions and regional development banks;

- The MDGs energized the intergovernmental process for development. The creation of a global partnership for development in MDG 8 was intended to create an enabling international environment of cooperation towards the achievement of MDG goals and targets;
- The MDGs became a point of reference to guide national policies towards priority development issues. The targets were formulated as global targets to be achieved through the combined effect of progress in all countries, but many countries adapted their goals, benchmarks, indicators and targets on the basis of specific national conditions;
- At the country level, the MDGs energized not only national Governments and organizations associated with them, but many non-State and non-governmental actors as well. These goals became a widely shared, multi-stakeholder effort;
- The MDGs became a powerful tool for advocacy and political mobilization around issues that are essential to people;
- The MDG monitoring framework helped to improve statistical capacity and data availability, prompted public support and funding for development, and informed development policy decision-making.

Given this legacy, countries are in a good position to build on the foundation laid by the MDGs as they adapt the new set of internationally agreed development goals contained in the 2030 Agenda for Sustainable Development. Learning from the implementation of policies to reach the MDGs will help to improve the integration of the SDGs in national development planning and financing frameworks.

Implementation of the SDGs will also require coherence and effectiveness of policies. This effort, in turn, will have to be rooted in good governance, community involvement and decentralization, periodic assessments, and adequate use of statistical capacity and available data.

### Policy integration, coherence and effectiveness at the forefront

This *Survey* reviews economic, social, and environmental policies that contributed to the progress made towards achievement of the MDGs, as well as aspects of national governance and institutions that have been critical for policy implementation at the country level. In many instances, these policies resulted from long-term processes that predate the MDGs. At the same time, these policies confirmed countries' long-term commitments to poverty reduction and human development. It is difficult to know exactly whether the MDGs were the main motivators of many of these policies; ultimately, what matters most is whether or not these policies contributed to the progress made towards achievement of the MDGs. The success of these policies was defined by their effectiveness and the level of integration and coherence with other policies. The analyses of different types of policies under review support the following overarching lessons and policy recommendations:

*First*, a coherent and comprehensive policy framework that integrates economic, social and environmental interventions is critical to minimize trade-offs. Outcomes and spillover effects have generally resulted from pursuing policies in each of those three realms as discreet sectoral interventions, rather than as part of a coherent and comprehensive economic, social and environmental policy framework. In many instances, then, there have

been unfavourable trade-offs and unintended effects. Going forward, it will be critical to identify positive synergies and trade-offs and pay more attention to policy consistency to facilitate the simultaneous meeting of multiple development objectives.

*Second*, although economic, social and environmental policies will be grounded in a universal development agenda after 2015, the experience of the past fifteen years corroborates that no single policy approach is applicable in all circumstances. Policies will have to be appropriately situated within the broader development policy framework of each country and tailored to overcome specific constraints and enhance positive synergies in each country's and community's systems.

*Third*, in a similar vein, careful consideration of starting conditions and constraints will be important in determining what interventions and strategies can produce the best possible outcomes. In some contexts, the best known policies available are no longer effective because they have already run their course, or because the causes leading to such obstacles have changed and the policies no longer apply. Health care is a particular area where previously overlooked causes of disease and death become visible as a consequence of successful policies. When best practices are no longer producing sound improvements in outcomes, new practices and solutions become necessary. In some instances, it may just be a matter of ensuring that existing development-enabling laws are adequately reinforced and interventions are made effective.

*Fourth*, the potential for policies, especially in the social realm, to be fully exploited and effective will depend on whether they reach and are properly tailored to the poorest, underserved, and most vulnerable populations. This includes those groups that have been traditionally missed such as newborns, indigenous people, people with disabilities or those living with HIV/AIDS. Integrating communities into policy planning, organizing and implementation can improve effectiveness going forward.

*Fifth*, improving the quantity and quality of human resources for the provision of social service delivery will be critical for the achievement of the SDGs. There is a need for continued and expanded efforts to retain effective civil servants, including through competitive salaries and proper structuring of incentives and career development opportunities. However, this will not be enough. Stepping up investments in traditional (quality) education will be one of the most important interventions to bridge the relevant human resource gaps, especially in sectors such as health. Because these investments will take time to bear fruit, they will need to be complemented with more immediate training efforts, especially to increase the supply of public civil servants without compromising the quality of service.

*Sixth*, it will be important that countries undertake effective monitoring and evaluation of programmes and their outcomes to ensure policy coherence, effectiveness, and adequate outreach to targeted populations. Community involvement and decentralization should feature prominently in monitoring and evaluation efforts. Monitoring effectiveness will require periodic assessments to ensure that programmes are producing the intended results; such assessments should be facilitated by the statistical capacity and data availability inherited from the MDG monitoring framework and rooted in good governance and institutions.

## Adaptation to changing economic conditions

This *Survey* also shows that economic policies and their capacity to adapt to changing conditions before, during and after the global economic crisis that erupted in 2008 greatly affected the likelihood of achieving the MDGs.

During times of economic prosperity, as in the period before the crisis, it is important to expand investment, both economic and development-related, and build robust countercyclical instruments to smooth shocks and deal with downturns. Fiscal rules and medium-term expenditure frameworks that are implemented under the proper governance structures are important to reduce the procyclicality of government spending. Properly executed expenditure frameworks contribute to improving policy coherence and limiting macroeconomic trade-offs, and macroprudential tools limit exposure to external volatility. In addition, social safety nets and other programmes that operate countercyclically should be established during times of robust growth so that they can act as automatic stabilizers in times of crisis. Later on, the combination of these policies allowed many countries to enact countercyclical fiscal policies to weather the global financial crisis. Thus, while policy space was more constrained during the crisis, the effect on the population and on the achievement of the MDGs was not as drastic as it could have been. Adapting policies to changing economic conditions will thus be a necessary condition for implementation of the new development agenda.

More broadly, the initial economic conditions for implementation of the 2030 Agenda for Sustainable Development are less encouraging if compared with those of the early 2000s when the MDGs were adopted. At the same time that policy space is more constrained, many developing countries did not make the most of the economic bonanza of the period 2000-2008; instead, many countries built important spending gaps for achieving the MDGs that are visible today. Against this backdrop, addressing the unfinished business of the MDGs going forward and further implementing the more challenging sustainable development agenda will necessitate robust and stable economic growth to boost private and public spending in key social sectors (which also makes this growth more inclusive). Policy coherence will be needed to allocate the resources in the most efficient way possible under a more constrained economic environment.

The experience between 2000 and 2015 points to the general need to take advantage of periods of robust growth, pursue adequate policies for macroeconomic stability, increase social investments, improve the fundamental bases for weathering economic shocks, introduce the appropriate policies to reduce procyclicality in general, and devise and carefully assess alternative financing strategies in order to bridge public spending gaps without jeopardizing growth, macroeconomic stability and long-term development.

## Enabling the transition towards universal social protection

Economic and social policies are, in most respects, indivisible aspects of broader development policy. This *Survey* provides examples of both—social policies that are essential to achieving economic growth, and economic policies that bring about opportunities for social progress. Importantly, the MDGs provided a framework for scaling up social spending and implementing national policies to strengthen long-term development efforts. The experience of the 2000-2015 period is rich with regard to social policy efforts, including

their successes and failures as well as their potential to continue producing improved development outcomes.

The review of social policies begins with social protection, which features prominently in the 2030 Agenda for Sustainable Development. The SDGs foresee the implementation of nationally appropriate social protection systems for all, including social protection floors, and substantial coverage of the poor and the vulnerable. Social protection policies are also seen as an essential conduit for eliminating gender inequalities and improving equality in general. They are also expected to result in spillover effects for other goals. The expectation is that countries will transition towards universal social protection (USP) systems.

However, this transition will be a challenging endeavour for many developing countries, especially those where social protection systems have not yet been developed on the basis of a solid contributory system. A key conclusion is that the transition to USP systems will take time to unfold in many countries, especially in the least developed countries. The implication is that non-contributory social protection programmes can play a critical role in the transition.

Non-contributory social protection comprises assistance programmes that form the most important component of social protection in most developing countries. Many of these programmes have played a critical role in reducing extreme poverty, enabling progress in other MDG areas, and helping to mitigate the impact of crises on the MDGs. These programmes have typically been prioritized in countries where the state of the labour market and the overall economic and social situation does not provide enough opportunity. Therefore, the programmes are not necessarily designed to promote incorporation of beneficiaries into the labour market or the economy at large. Hence, for non-contributory social protection to be an enabler in the transition towards USP systems, effective implementation will have to take into account some of the following issues:

- The design of social protection programmes should be tailored to specific development and institutional conditions of individual nations. Conditional cash transfer programmes, for example, are effective in countries where proper monitoring and evaluation mechanisms are developed;
- Consolidation of small programmes into a single consolidated programme can reduce duplication and improve efficiency. This may include a unique registry system as well as biometric information to keep track of beneficiaries in order to improve coordination and consistency during implementation;
- Focusing on the family as opposed to the individual can help to address multiple dimensions of poverty and vulnerability, provided that a fair intra-household allocation of resources and consumption can be ensured;
- Supplementary supply-side interventions are also necessary to improve effectiveness. For example, conditional cash transfer programmes can boost enrolment in education and the demand for health services, but simultaneous efforts to increase education and health-care personnel are needed to avoid unintended consequences with regard to the quality of services;
- Social protection programmes should build greater consistency with labour market policies to improve earning opportunities for people and build the basis for developing a contributory system towards a truly universal system.

## Scaling and upgrading proven interventions in education

In their efforts to meet the targets for universal primary education, developing countries have, by and large, focused to a much greater degree on enrolment as opposed to completion. Given the starting position of many developing countries, particularly those in sub-Saharan Africa, it is logical that there was greater focus on raising enrolment rates. Further raising the completion rate and improving the quality of education are the key challenges today.

Relatively modest increases in expenditures in primary education can have a significant impact on enrolment and completion rates. There is room for significantly improving education outcomes despite limited resources, particularly in low-income countries. Proven interventions, such as construction of schools, increasing the number of teachers, elimination of school fees and other educational costs to families, and adequate school feeding programmes, among others, do still pay off for the attainment of education goals. More and better spending should be aimed at upgrading these proven interventions as follows:

- Where school access and coverage is nearing sufficiency, upgrading existing schools' services and curricula should be the focus. Upgrading sanitation facilities and accessibility will be critical to bringing more girls and children with disabilities into school. Building schools in communities or villages generally boosts enrolment and reduces dropout rates—especially of girls—since less travel time is required;
- The new development agenda posits universal secondary education among its priorities. School fees and other educational costs to families—such as those associated with the purchase of textbooks, uniforms and other related materials—should be eliminated to the greatest degree possible not only in primary education but also at the secondary education level;
- Continued efforts are also needed to reduce opportunity costs for school attendance in primary as well as secondary schools by adjusting the school schedule and location to specific circumstances;
- The availability of good teachers will only rise if higher education improves and teacher training facilities are upgraded and expanded, including at the community level. Training programmes that teachers go through as part of the school cycle can help to raise the level of education of both teachers and students and result in greater teacher effectiveness. Effective teachers will ultimately be retained if their salaries and incentives for career development opportunities become more competitive;
- Monitoring and evaluation with the participation of community representatives needs to be strengthened across education systems in order to address a variety of issues including absenteeism, lack of effort by teachers, tracking out-of-school students (both those that have dropped out and those that never attended), and monitoring the effectiveness of education;
- Tightening the connections between education and the labour market is necessary, as many countries' economies are not equipped to absorb the increasing stock of better-educated workers, or school curricula is not adequately tailored to meet the needs of the labour market. There should be initiatives to give future job seekers the knowledge and skills demanded by the labour market. These challenges call for greater coherence between economic and social policies.

## Strengthening the gender equality and development interface

Many regions have improved gender balance in key areas and overall gender parity in primary education is likely to have been achieved by 2015. This is the result of the many initiatives countries have implemented since the MDGs were adopted to bridge gender gaps and empower women. Such initiatives include those related to legislative changes, education, the labour market and the political realm, among others.

In spite of the progress, there are still large gaps between male and female enrolment at higher levels of education, particularly in sub-Saharan Africa, and substantial differences in the share of women employed outside the agricultural sector across different regions. Women are also much more likely to be in part-time employment compared to men and are seriously underrepresented in the political realm.

Going forward, approaches to gender equality should be designed and implemented not only for the sake of reducing gender gaps, but also for the beneficial synergies that exist between improved gender equality and achievement of other development-related goals, which can then have important feedback effects. Strengthening gender equality and the empowerment of women will strengthen development outcomes. At the same time, policymakers should make efforts to better understand the potential feedback between these approaches and ensure there is coherence between policies and women's rights. With this perspective in mind, the following policy pathways will be important:

- Further legislative measures and their adequate enforcement will be necessary to raise the participation of women in representative political bodies, on corporate boards, and in other economic, political and social organizations in areas where the normal pathways for advancement have been circumscribed by prejudice and discrimination. Legal changes enhancing women's right to ownership and inheritance have to be accompanied by programmes ensuring that the changes take root in the wider culture and become part of social conventions and norms of behaviour;
- Systematic steps will be necessary to guarantee that women's work is valued appropriately, regardless of the sphere of activity, including work in family farming, household activities and child-rearing, as well as work in informal sectors;
- More attention must be paid to potential conflicts in policy outcomes. For example, cash transfer programmes have resulted in families withdrawing girls from school to participate in family enterprises. Policies aimed at gender equality should be balanced across the different dimensions (including education, health, employment, ownership and political participation); better use must be made of interlinkages; and, ultimately, economic empowerment should be pursued through the promotion of formal and self-employment opportunities for women;
- Monitoring and evaluation will be particularly necessary for alerting stakeholders about potential conflicts in the outcomes of policies such as those mentioned above. Prompt action will be necessary to resolve any conflicts that may arise.

## Health policy interventions and systems

Countries have made impressive headway towards the achievement of health-related MDGs. Progress on the most prominent fronts has led other previously overlooked issues to move to the forefront. For example, the reduction of deaths in children under five years of age but older than a month has highlighted the issue of neonatal mortality.

A number of preventive and curative policy interventions have contributed to this progress. Although most of these interventions existed before the MDGs were formulated, Governments have stepped them up more vigorously to pursue achievement of the goals. These interventions seem to have been more successful when featured as part of an integrated health strategy.

There are remaining challenges in neonatal mortality, infectious diseases and nutrition deficiencies. Policy interventions to tackle these challenges need no reinvention but they will need to be more coherent and effective, as follows:

- Some of the policy interventions of integrated health strategies have been seen to detract from others. For example, there have been instances of vaccination rates falling owing to higher costs of integrated interventions, longer service delivery times and other logistical issues. Addressing this policy incoherence is necessary to improve achievements on a variety of health development targets simultaneously. It will require an adequate interface between health policies and budgetary frameworks;
- The effectiveness of each policy intervention itself, even before it features as part of an integrated health strategy, is another important aspect to consider. The following aspects are worth considering: the relevance of the intervention in particular country contexts; the extent to which the intervention reaches underserved and vulnerable populations or, where relevant, whether it can be implemented on a large scale; cost issues; and, people's awareness of diseases and methods of prevention through healthy behaviours;
- Some health policies seem to be reaching their limits, as progress in health is achieved and the causes of disease and death change, particularly in middle-income countries. Going forward, it will be important to closely monitor the effectiveness of policies during implementation in view of changing conditions. In the area of health, progress may suggest that a policy is no longer as effective as before. When lack of effectiveness arises, it will be critical to reallocate resources to undertake new and innovative effective interventions tailored to country realities.

A variety of factors closely associated with the limitations of health systems have held back the effectiveness of policies aimed at improving people's health. Improving the outreach and quality of health systems will continue to be critical, but it will also be necessary to pay more attention to the quality of care and the positioning of health systems as core social institutions. Strengthening the health system in developing countries will demand the following:

- Motivating and retaining health workers will be important in addressing existing shortages of skilled health-care personnel. Strategies to reduce emigration of health-care personnel from countries that severely lack them will be critical. Nonetheless, even if health workers can be motivated and retained, the critical policy for overcoming the existing deficit of health-care professionals is to produce more of them, especially through long-term (quality) education;
- Short-term, broad-based training programmes for existing health-care professionals will be required while the pool of new professionals rises through long-term education. Broadening the recruitment pool and offering flexible career opportunities and non-traditional entry points for health-care workers will be important. Critical actors who typically require shorter periods of training and can be deployed quickly need to be formally integrated as part of a comprehensive primary health system. These include

traditional birth attendants (if appropriate in the cultural context), community health workers, health extension workers, and so on;

- More health facilities need to be built. These include maternal waiting homes as well as drop-in centres for testing, counselling, treatment and other medical interventions, in close proximity to communities and targeted populations. Incentives will be critical to creating demand for these less traditional health centres;
- Efforts for strengthening infrastructure should also cover transport, water and sanitation. Governments should rely on partnerships and local communities to ease transport constraints, targeting those populations that most need medical attention while also incentivizing their demand for these services;
- Health systems should be increasingly positioned as core social institutions that are deeply embedded in the social, political and economic context of local and national settings. Interventions should become people-centred and developed with the engagement of communities and front-line health providers. This will require adequate clinical and non-clinical quality of health care and a rights-based approach to policies and programmes;
- External assistance will have to continue and be increased for countries that do not have enough domestic resources to finance the investments and operating costs involved in improving the functioning of health systems. Vertical interventions should continue to be harmonized with the horizontal health system so that the former do not weaken the latter and instead strengthen it.

## Environmental targets and policies

The MDG framework also embraced multidimensional efforts at both the international and national levels that were aimed at protecting the environment. A seventh goal was formulated to ensure environmental sustainability in recognition of a growing concern about current consumption and production patterns leading to an unsustainable use of natural resources. While other MDGs are directed to either developing countries (MDGs 1-6) or developed countries (MDG 8), the first two targets of MDG 7 were set for all countries, representing universality and the need for global cooperation—a feature that is more akin to the SDGs.

Progress has been made in some environmental areas since 1990: ozone-depleting substances have been virtually eliminated, and the ozone layer is expected to recover by the middle of this century; terrestrial and marine protected areas in many regions have increased substantially; 147 countries have met the drinking water target, 95 countries have met the sanitation target and 77 countries have met both; and the proportion of urban population living in slums in the developing regions fell notably.

Any analysis of efforts geared towards driving progress in such areas is challenged by the diversity of targets of MDG 7, which cover both human development and environmental issues without proper integration. Furthermore, none of the environment-related targets were quantitatively specified and some of them are not time-bound. The goal covers only a subset of the many challenging environmental issues that need to be addressed.

With regard to the environmental targets, national efforts in areas covering atmospheric issues; land, water, and biodiversity; forests; and drinking water, sanitation and slums improved countries' likelihood of making progress. Advances made in some

environmental areas have not been sustained and it has been difficult to trace the sluggishness of this progress in a timely manner without time-bound quantitative targets whose monitoring may have prompted policy action. Importantly, lack of progress towards achieving the environmental goals has also been the result of lack of policy coherence, which has prevented making proper use of the interconnections among various environmental goals themselves and between environmental and human development goals. The policy implications of the analysis concerning the aforementioned environmental areas and their targets are as follows:

- Implementing coherent policies that make use of the interconnections between various environmental goals themselves and between environmental and human development goals will require finding targets and indicators that capture these interlinkages in an integrated manner;
- The international community will have to make sure that the United Nations Framework Convention on Climate Change process gives way to necessary cooperation between developed countries and the large, fast-growing developing countries in order to meet CO<sub>2</sub> emission-reduction targets;
- Efforts to protect forests will have to be combined with sustainable production and consumption patterns. It must be acknowledged that deforestation is caused by factors beyond the forest sector's control, necessitating integral approaches. The special role of forests in the life and livelihood of people living in poverty and indigenous peoples should be given adequate attention;
- Protection of certain terrestrial and marine areas can simultaneously be helpful for the protection of forests, wetlands, biodiversity, water resources, fish stock, and so forth. This in turn is critical for avoiding economic hardships, social tension and conflicts. Addressing the issue of climate change should help in the protection of terrestrial and marine areas;
- Adequate drinking water and sanitation infrastructure can be built best through public initiatives, both at national and local levels, complemented by various community and non-governmental initiatives. Infrastructure should be environmentally friendly to avoid negative externalities that have emerged as access to drinking water and sanitation is expanded;
- The slums problem can only be solved through sustained, inclusive and equitable economic growth, grounded in sustainable patterns of production and consumption, sustainable urbanization, and deeper human development. Achieving this will take time; intermediate steps towards improving the lives of slum dwellers, such as granting tenure rights or expanding microfinance, will need to be taken in the meantime.

### Governance and institutions for development

Having reviewed the policy efforts in the economic, social and environmental realms, this *Survey* turns to recognizing the significance of adequate governance and institutions to implement a coherent, accountable and well-integrated policy framework. Aspects of governance and institutions under review, such as leadership, accountability, decentralization and partnerships, among others, while not necessarily unique to the period of MDG implementation, were all equally important to the subsequent achievement of MDG targets. Messages emerging with regard to these issues are as follows:

- Successful policy implementation for SDGs will begin with leadership that possesses a clear vision of the desired outcomes and the potential policy pathways for achievement. There are examples of this type of leadership that, while they may predate the MDGs, led to progress on these goals later on, as well as efforts by leaders prompted more directly by the MDGs;
- National policy coordination has been a relevant factor in achieving MDGs in some countries, although lack of capacity has limited this in others. The use of information and communications technology will be critical to facilitating coordination and accountability as well as service delivery;
- Decentralization will continue to be important in contexts where central Governments are seriously constrained in reaching underserved populations. This has been a critical mechanism in engaging communities and ensuring more transparent governance. This in turn has facilitated MDG achievements, for example, through improving service delivery in education and health and raising gender awareness and gender coverage. Decentralization should therefore continue to be pursued where necessary;
- In situations where Governments lack the resources to provide key services for target populations, partnerships with a variety of non-governmental actors at global, national and local levels will also be a relevant avenue, both for enabling achievement of development goals and improving governance;
- Good governance requires accountability, which necessitates effective monitoring and evaluation. The use of supreme audit institutions will continue to be an important factor in tracking progress and ensuring efficient use of resources across all levels of government. More broadly, monitoring and evaluation systems will continue to be necessary to improve accountability while increasing coordination and coherence across institutions.



# Contents

Preface .....	iii
Acknowledgements .....	v
Executive summary .....	vii
Contents .....	xix
Explanatory notes.....	xxvii
<b>I The MDGs: legacies and lessons of the global development agenda .....</b>	<b>1</b>
Introduction .....	1
The origin of the MDGs .....	2
The United Nations commitment to international development.....	3
Formulation of the international development goals .....	5
The United Nations Millennium Declaration and the formulation of the MDGs.....	6
Legacies of fifteen years of efforts to achieve the MDGs .....	7
National adoption as the basis for implementation .....	8
A point of reference for policy formulation .....	10
The MDG monitoring framework.....	11
Lessons learned and the <i>Survey</i> .....	14
Early adoption and fast-tracked implementation .....	14
Integrated adaptation.....	15
Bridging gaps to make the most of data legacy.....	15
Policy integration, coherence and effectiveness .....	16
Organization of next chapters .....	18
<b>II Economic conditions and policies during MDG implementation .....</b>	<b>23</b>
Introduction .....	24
Economic growth and MDGs .....	24
Nature of growth matters .....	26
Initial level of poverty and income distribution .....	27
Growth and stability period (2000–2007/08) .....	28
International drivers of growth .....	32
Domestic policies .....	34
Monetary policy.....	34

Investment and sectoral policies .....	34
Fiscal policy .....	37
Crisis and recovery period (2008–2015) .....	40
Effects on economic growth and MDGs .....	40
Fiscal and budgetary policies .....	42
External shock mitigation policies .....	47
Challenges of bridging spending gaps .....	50
Macroeconomic trade-offs .....	51
Planning within a budgeting framework .....	54
Economic policy pathways going forward .....	55
<b>III Social protection, education and gender equality .....</b>	<b>59</b>
Introduction .....	60
Social protection for lifting people out of poverty .....	61
Cash transfers .....	62
Additional schemes of social assistance .....	65
Implementation issues, shortcomings and solutions .....	66
Interventions to ensure the attainment of primary education .....	67
Outcomes of spending on education .....	68
School infrastructure .....	69
Adequacy of staffing, training and retention programmes .....	71
Elimination of school fees and other costs .....	72
School feeding programmes .....	72
Issues relatively neglected in the policy agenda .....	73
Education and the labour market .....	74
Bridging gender gaps to empower women .....	75
Legal changes and women's rights for gender equality .....	76
Gender equality in education .....	77
Women's participation in the labour market .....	78
Women's political representation .....	79
Limited policy coherence .....	80
Policy recommendations .....	80
Enabling the transition towards universal social protection .....	80
Scaling and upgrading proven interventions in education .....	81
Strengthening the gender equality and development interface .....	82

<b>IV</b>	<b>Health policy interventions and systems</b> .....	<b>85</b>
	Introduction .....	86
	Proven health policy interventions .....	86
	Health spending and resource mobilization .....	87
	Interventions to reduce child mortality .....	92
	Interventions to improve maternal health .....	94
	Maternal, newborn and childcare strategies .....	97
	HIV/AIDS, malaria and other diseases .....	99
	HIV/AIDS .....	99
	Malaria .....	102
	Tuberculosis .....	104
	Strengthening of the health system .....	104
	Health-care personnel .....	105
	Infrastructure .....	106
	Integrated community case management .....	107
	Health care as a core social institution .....	108
	Policy efforts and strengthening of health systems going forward .....	109
	Areas of focus for policy efforts to address unfinished business .....	109
	Integrated solutions with greater policy coherence and effectiveness ...	110
	Areas of focus for strengthening the health system .....	111
<b>V</b>	<b>Environmental sustainability</b> .....	<b>113</b>
	Introduction .....	114
	Protecting the atmosphere to combat climate change .....	115
	The reduction of ozone-depleting substances .....	117
	Efforts to curb carbon emissions .....	117
	Forest cover loss and efforts to avert it .....	119
	Drivers and effects of deforestation .....	120
	Efforts for averting deforestation .....	122
	Reducing biodiversity loss .....	124
	Protection of terrestrial and marine areas .....	124
	Wetlands .....	127
	Water use .....	128
	Fish stock .....	129
	Biodiversity .....	130

Improving drinking water, sanitation and slums .....	130
Initiatives for improving access to water and sanitation .....	132
Institutional coordination and decentralization .....	134
Community-led initiatives .....	134
Synergies and externalities .....	135
Improving the life of slum dwellers .....	136
Lessons and their implications going forward .....	138
Overarching lessons .....	138
Specific lessons .....	138
<b>VI Governance and institutions .....</b>	<b>141</b>
Introduction .....	142
The role of good governance and effective institutions .....	143
Accountable leadership and strategic vision for development .....	143
Policy coherence and coordination .....	145
Local governments and decentralized delivery of services .....	147
Partnerships with non-governmental actors .....	149
CSOs and NGOs as critical partners for development .....	149
Partnerships for development cooperation .....	151
Accountability, monitoring and evaluation .....	154
Corruption as a failure of governance .....	154
Institutional arrangements and practices for accountability .....	155
Lessons and implications for the upcoming agenda .....	160
<b>Annex .....</b>	<b>163</b>
<b>Bibliography .....</b>	<b>167</b>

## Boxes

II.1	Impact of the crisis and the ensuing financial challenge in meeting the Millennium Development Goals . . . . .	43
II.2	Impact of external shocks on poverty and human development goals: a simulation analysis. . . . .	48
II.3	Spending gaps for meeting MDGs and macroeconomic trade-offs . . . . .	52

## Figures

II.1	GDP per capita and under-five mortality by income group, 1991–2012. . . . .	25
II.2	GDP growth and improved drinking water by income group, 1991–2012 . . . . .	25
II.3	Income level and primary school completion rate, 2011 . . . . .	26
II.4	Growth effect on poverty reduction across countries, 2010 . . . . .	27
II.5	Distribution of GDP growth among developing countries, 1991–2013 . . . . .	29
II.6	Distribution of the inflation rate among developing countries, 1991–2013 . . . . .	30
II.7	Number of developing countries that experienced recession, 1991–2013 . . . . .	30
II.8	Investment and GDP growth nexus, 1991–2010 . . . . .	35
II.9	Structural changes and labour productivity growth in sub-Saharan Africa during the 2000s . . . . .	36
II.10	Total government revenue, 2000 and 2008 . . . . .	37
II.11	General government expenditure, 2000–2002 and 2008 . . . . .	39
II.12	Public expenditure by sector in low- and middle-income countries, 1995–2010 . . . . .	39
II.13	GDP gap after the global financial crisis in developing countries, 2005–2014 . . . . .	41
II.14	GDP gap after the global financial crisis in Africa and South Asia, 2005–2014 . . . . .	41
II.1.1	Estimated additional public spending needed to achieve MDG targets for education, health and water and sanitation by 2015 . . . . .	44
II.15	Public social expenditure in low- and middle-income countries, 2005–2007 and 2008–2010 . . . . .	46
II.2.1	Nicaragua's GDP growth in a simulated scenario with and without external shocks, 2014–2020 . . . . .	48
II.2.2	Nicaragua's net (on time) primary completion rate and extreme poverty in a simulated scenario with and without external shocks, 2020 . . . . .	49
II.3.1	Public spending and GDP growth under two alternative MDG financing scenarios, 2010–2015. . . . .	53
III.1	Public social expenditure in low- and middle-income countries, 1995–2010 . . . . .	62
III.2	Public education spending and primary completion in low- and middle-income countries, 2010. . . . .	69
III.3	Unemployment rate of the most-skilled workers under a baseline and MDG-financing scenario . . . . .	75
IV.1	Public health spending per capita and infant mortality in low- and middle-income countries, 2011. . . . .	90
IV.2	Total ODA to health from all donors reporting to OECD, 1995–2013 . . . . .	90

IV.3	Progress in global immunization rates, 1994–2013 . . . . .	91
IV.4	Child mortality and coverage with measles-containing vaccine (MCV1) in low- and middle-income countries, absolute change between 2000 and 2012 . . . . .	92
IV.5	Maternal mortality and proportion of women receiving four or more antenatal check-ups in low- and middle-income countries, 2010 . . . . .	95
IV.6	Maternal mortality and contraceptive use in low- and middle-income countries, 2010 . . . . .	96
IV.7	Maternal mortality and unmet need for family planning in low- and middle-income countries, 2010 . . . . .	96
IV.8	Maternal mortality and adolescent birth rates in low- and middle-income countries, 2010 . . . . .	97
IV.9	Rates of ART provision and overall HIV-related death across countries, 2013 . . . . .	100
IV.10	Child mortality and children under five sleeping under ITNs in malaria-affected countries, absolute change between 2000 and 2012 . . . . .	103
V.1	Global trends in population, GDP, resource use and CO <sub>2</sub> emissions, 1900–2009 . . . . .	115
V.2a	Trends in population, GDP and CO <sub>2</sub> emissions in East Asia and Pacific, 1992–2011 . . . . .	116
V.2b	Trends in population, GDP and CO <sub>2</sub> emissions in sub-Saharan Africa, 1992–2011 . . . . .	116
V.3	Carbon dioxide emission and GDP growth in developed countries, 1991–2012 . . . . .	117
V.4	Countries with largest forest-area loss between 1990 and 2010 . . . . .	119
V.5	Countries with a high degree of afforestation, 1990–2010 . . . . .	122
V.6	Trends in protection of terrestrial and marine areas, 1960–2020 . . . . .	125
V.7	Increase in the proportion of protected terrestrial area, various regions, 1990–2014 . . . . .	126
V.8	Wetlands Extent Index, 1970–2008 . . . . .	128
V.9	Population (rural and urban), poverty, slum dwellers and people without improved drinking water and sanitation, 1990–2015 . . . . .	132
VI.1	Proportion of women in national parliaments in Cambodia and Kyrgyzstan, 2000–2015 . . . . .	151
VI.2	Corruption and primary completion, 2012 . . . . .	156
VI.3	Corruption and maternal mortality, 2013 . . . . .	156
VI.4	Corruption and access to drinking water, 2012 . . . . .	157

## Tables

II.1	External debt and government statistics for select regional groupings, 2002, 2007 and 2013 (Percentage of GDP) .....	31
II.2	Sources of revenue changes between 2000 and 2008. ....	38
II.1.1	Impact of the crisis on projected MDG achievement by 2015, selected countries. ....	43
III.1	Social assistance instruments .....	63
IV.1	Health policy interventions for achieving health-related goals .....	88
IV.2	Preventive strategies and measures to increase newborn survival rates. ....	98
V.1	Countries/areas with the highest proportion of deforestation, 1990–2010. .	120



# Explanatory notes

## The following symbols have been used in the tables throughout the report:

- .. **Two dots** indicate that data are not available or are not separately reported.
  - **A dash** indicates that the amount is nil or negligible.
  - **A hyphen** indicates that the item is not applicable.
  - **A minus sign** indicates deficit or decrease, except as indicated.
  - . **A full stop** is used to indicate decimals.
  - / **A slash** between years indicates a crop year or financial year, for example, 2014/15.
  - **Use of a hyphen** between years, for example, 2013-2014, signifies the full period involved, including the beginning and end years.
- Reference to “dollars”** (\$) indicates United States dollars, unless otherwise stated.
- Reference to “billions”** indicates thousands of millions.
- Reference to “tons”** indicates metric tons, unless otherwise stated.
- Annual rates** of growth or change, unless otherwise stated, refer to annual compound rates.
- Details and percentages in tables do not necessarily add to totals, because of rounding.

## The following abbreviations have been used:

<b>ACT</b>	Artemisinin-based combination therapy	<b>MDRI</b>	Multilateral Debt Relief Initiative
<b>ART</b>	antiretroviral therapy	<b>MNCH</b>	maternal, newborn and child health
<b>CBD</b>	Convention on Biological Diversity	<b>MTEF</b>	medium-term expenditure framework
<b>CCT</b>	conditional cash transfer	<b>NGO</b>	non-governmental organization
<b>CDM</b>	Clean Development Mechanism	<b>ODA</b>	official development assistance
<b>CO<sub>2</sub></b>	carbon dioxide	<b>OECD</b>	Organization for Economic Cooperation and Development
<b>CT</b>	cash transfer	<b>PPP</b>	purchasing power parity
<b>DAC</b>	Development Assistance Committee	<b>PRSPs</b>	poverty reduction strategy papers
<b>DALYs</b>	disability-adjusted life years	<b>SDGs</b>	Sustainable Development Goals
<b>ECA</b>	Economic Commission for Africa	<b>SIDS</b>	small island developing States
<b>ECE</b>	Economic Commission for Europe	<b>TB</b>	Tuberculosis
<b>ECLAC</b>	Economic Commission for Latin America and the Caribbean	<b>TBA<sub>s</sub></b>	traditional birth attendants
<b>ECOSOC</b>	Economic and Social Council of the United Nations	<b>UNAIDS</b>	Joint United Nations Programme on HIV/AIDS
<b>ESCAP</b>	Economic and Social Commission for Asia and the Pacific	<b>UNCCD</b>	United Nations Convention to Combat Desertification
<b>ESCSA</b>	Economic and Social Commission for Western Asia	<b>UNCTAD</b>	United Nations Conference on Trade and Development
<b>ETS</b>	Emissions Trading System	<b>UN/DESA</b>	Department of Economic and Social Affairs of the United Nations Secretariat
<b>EU</b>	European Union	<b>UNDP</b>	United Nations Development Programme
<b>FAO</b>	Food and Agriculture Organization of the United Nations	<b>UNESCO</b>	United Nations Educational, Scientific and Cultural Organization
<b>FDI</b>	foreign direct investment	<b>UNEP</b>	United Nations Environment Programme
<b>GDP</b>	gross domestic product	<b>UNFPA</b>	United Nations Population Fund
<b>ha</b>	hectares	<b>UNICEF</b>	United Nations Children’s Fund
<b>HIPCs</b>	heavily indebted poor countries	<b>UNIFEM</b>	United Nations Development Fund for Women
<b>ICT</b>	information and communications technologies	<b>UN Women</b>	United Nations Entity for Gender Equality and the Empowerment of Women
<b>ILO</b>	International Labour Organization	<b>WFP</b>	World Food Programme
<b>IMF</b>	International Monetary Fund	<b>WGP</b>	world gross product
<b>LDCs</b>	least developed countries	<b>WHO</b>	World Health Organization
<b>MAF</b>	MDG Acceleration Framework	<b>WIPO</b>	World Intellectual Property Organization
<b>MDGs</b>	Millennium Development Goals		



## Chapter I

# The MDGs: legacies and lessons of the global development agenda

### Summary

- The Millennium Development Goals (MDGs) were the culmination of over a decade of political mobilizations and renewed thinking about the concept of development, away from the narrow orthodoxy centred on economic growth. Concerted efforts at the international, national and subnational levels to achieve them brought about significant development progress.
- The MDGs had significant influence, evolving into (i) a framework for development cooperation and a point of reference for the programmatic activities of multilateral institutions and regional development banks; (ii) a widely shared, multi-stakeholder effort; (iii) a powerful tool for advocacy and political mobilization around issues that are essential to people; and (iv) a point of reference to guide national policies towards priority development issues.
- The MDG monitoring framework helped to improve statistical capacity and data availability, prompted public support and funding for development, and informed development policy decision-making.
- While the MDG targets were formulated as global targets to be achieved through the combined effect of progress in all countries, many countries adapted their goals, benchmarks, indicators, and targets on the basis of specific national conditions.
- Going forward, countries will build on the foundation laid by the MDGs in the process of adapting the new set of internationally agreed development goals—the Sustainable Development Goals (SDGs)—contained in the 2030 Agenda for Sustainable Development. Learning from the implementation of policies to reach the MDGs will help to improve the integration of the SDGs into national development planning and financing frameworks.
- Effective monitoring and evaluation of programmes will be critical to ensuring policy coherence and effectiveness in the delivery of basic services. This effort needs to be rooted in good governance, community involvement and decentralization, periodic assessments, and adequate use of statistical capacity and available data.

### Introduction

The launching of the Millennium Development Goals at the dawn of this century ushered in one of the most important initiatives undertaken by the United Nations. It strengthened the connection between the fundamental values and principles of the United Nations and actual development efforts by Member States. It also enhanced the leading role of the United Nations in global development thinking and practice.

**Important lessons can be drawn from the period after adoption of the MDGs that will support implementation of the SDGs...**

With the MDG deadline having arrived in 2015, the world is now ready to embrace the 2030 Agenda for Sustainable Development which, along with the SDGs, was launched at the seventieth session of the General Assembly in September 2015.<sup>1</sup> It is therefore incumbent upon the United Nations to draw policy lessons learned during the period when the MDGs were implemented (2000-2015) in order to support the implementation of the SDGs. This *Survey* aims at contributing to this endeavour.

Numerous reports document and provide in-depth analyses of the MDGs. For example, *The Millennium Development Goals Report 2015* (United Nations, 2015a) and the *MDG Gap Task Force Report 2015* (United Nations, 2015b) are examples of the most recent reports that the Department of Economic and Social Affairs and the United Nations system have issued on an annual basis to monitor progress, identify implementation gaps and make recommendations for achieving the MDGs. The *Global Monitoring Report*, a joint publication of the International Monetary Fund (IMF) and the World Bank, has provided yearly in-depth analysis of particular MDG-related areas. Further, a large number of reports have focused on progress in achieving the MDGs in individual regions, countries and thematic areas. MDG reports have been produced periodically in countries from around 2004, since the initial stock of indicators used to monitor progress was taken. As of 2013, over 400 of these country reports had been prepared (United Nations Development Group, 2013) and more are expected to be produced as the period covered by the MDGs draws to a close. There are many other reports as well, written by United Nations agencies, funds and programmes, civil society organizations, academics, and many others.

**...especially with regard to key policies and strategies that contributed to making progress towards the MDGs**

This *World Economic and Social Survey* does not aim at conducting an exhaustive assessment of the MDGs experience; nor does it aim at discussing the strengths and weaknesses of the MDGs (e.g., issues of omissions, benchmarks and indicators, targets, universality or lack thereof, and so forth). This *Survey* is not intended to take stock of what countries have achieved either. Instead, the *Survey* reviews key policies and strategies adopted during the course of implementation of the MDGs, which may have contributed to making progress towards the goals, irrespective of whether these policies were explicitly designed to reach specific goals and targets. The review of national policies is intended to draw lessons that can support the implementation of the 2030 Agenda for Sustainable Development. The focus of the *Survey* is on implementation issues at the national level, although the critical role of global efforts in facilitating implementation is well acknowledged. For this purpose, the *Survey* engages primarily in a meta-analysis—that is, an analysis of other analyses and assessments already available. The intention is to understand the way specific policies and programmes helped to advance the MDGs and to provide analysis of overlaps and instances that demonstrate the benefit of policy coherence and improved policy coordination.

Lessons drawn from the MDGs will assist Member States in implementing the 2030 Agenda for Sustainable Development. The *Survey* is not aimed at prescribing a full range of policies and strategies in this regard. Those policies can be developed only by Member States themselves in the light of their own specific conditions.

## The origin of the MDGs

The adoption of the MDGs by the consensus reached by 193 heads of State and Government at the United Nations Millennium Summit in 2000 follows over a decade

<sup>1</sup> General Assembly resolution 70/1 of 25 September 2015.

of worldwide political mobilization and a rich intellectual debate seeking to broaden the concept of development. It came in sharp contrast to the economic orthodoxy imposed by the Washington Consensus in the 1980s and 1990s. A decade of international conferences in the 1990s renewed the commitment of the United Nations to international development.

## The United Nations commitment to international development

Development is one of the three pillars of work in the United Nations, along with peace and security and human rights. The very structure of the United Nations, specifically the importance of the Economic and Social Council (ECOSOC), underlines the importance of the development pillar. Soon after its foundation, the United Nations gave dedicated attention to global development through the publication of three major reports: *National and International Measures for Full Employment* (United Nations, Department of Economic Affairs, 1949); *Measures for the Economic Development of Underdeveloped Countries: Report by a Group of Experts Appointed by the Secretary-General of the United Nations* (United Nations, 1951a); and *Measures for International Economic Stability* (United Nations, 1951b). These reports reflected the recognition that developing countries needed to raise savings, investment and the rate of economic growth (Jolly, 2005).

By the 1960s, United Nations development thinking had already started to extend beyond the narrow confines of economic growth. Pursuant to the designation by the General Assembly of the 1960s as the First United Nations Development Decade,<sup>2</sup> the United Nations published, in 1962, a report of the Secretary-General entitled *The United Nations development decade: proposals for action* (United Nations, 1962). This report suggested directions for development efforts. In its foreword, then Secretary-General U Thant declared that “[d]evelopment is not just economic growth, it is growth plus change”. The report also recognized the advice of ECOSOC, which exhorted to avoid putting “overriding and disproportionate emphasis” on “the more material aspects of growth” (United Nations, 1962, p. v). ECOSOC cautioned that “[h]uman rights may be submerged and human beings seen only as instruments of production, rather than as free entities for whose welfare and cultural advance the increased production is intended”, and thus that “[t]he end may be forgotten in the preoccupation with the means” (United Nations, 1962, pp. 11; Jolly, 2005, p. 53). The first session of the United Nations Conference on Trade and Development (UNCTAD), held in Geneva in 1964, played an important role in advancing the development thinking of the United Nations.

In the 1970s, the International Labour Organization (ILO) pioneered the concept of meeting “basic needs” as the fundamental goal of development, to be achieved through a focus on employment. These ideas were put forward formally in the resolutions adopted by the World Employment Conference in 1976. They were also adopted by the World Bank and led to the formulation of the “redistribution with growth” model.

The 1970s also saw the first spate of international conferences focused on particular development issues, including the United Nations Conference on the Human Environment (Stockholm, 1972), the World Food Conference (Rome, 1974), the World Population Conference (Bucharest, 1974), the United Nations Conference on Human Settlements (Vancouver, 1976) and United Nations Conference on Science and Technology for Development (Vienna, 1979). The World Conference of the International Women’s

**International development thinking in the United Nations has evolved over time from a focus on economic growth to the basic needs approach...**

<sup>2</sup> General Assembly Resolution 1710 (XVI) of 19 December 1961.

Year (Mexico City, 1975) led to the establishment of the International Research and Training Institute for the Advancement of Women (INSTRAW) and the United Nations Development Fund for Women (UNIFEM). Later on 18 December 1979, the General Assembly adopted resolution 34/180 of the Convention on the Elimination of All Forms of Discrimination against Women.<sup>3</sup>

However, the basic-needs approach to development receded as the most prominent approach shortly thereafter. Following the debt crises and recessions in the early 1980s, the World Bank and the IMF adopted a programme of “structural adjustment”, focused on curbing inflation, reducing deficits and restoring macroeconomic balance. The countries of Latin America and Africa in particular were subjects of structural adjustment programmes. While successful to some extent in containing inflation and cutting deficits, these programmes also resulted in a “lost decade of development” for developing countries in the two developing regions.

Alarmed by the adverse consequences of structural adjustment policies, various United Nations organizations put forward ideas to protect employment and social spending from austerity policies. The United Nations Children’s Fund (UNICEF), for example, published a volume on the impact of structural adjustment programmes and argued for “adjustment with a human face” (Cornia, Jolly, and Stewart, 1987). Along similar lines, the Council of Ministers of the Economic Commission for Africa (ECA) adopted, on 10 April 1989, the African Alternative Framework to Structural Adjustment Programmes for Socio-Economic Recovery and Transformation (AAF-SAP). The General Assembly took note of the AAF-SAP with interest in its resolution 44/24 of 17 November 1989.

Meanwhile, supported by the theoretical work of Amartya Sen (1982, 1985, 1989, 1999), there was a further shift during the 1970s and the 1980s in the thinking about development and its purpose. Sen showed that what is important for human well-being is not monetary income per se, but rather the various *functions* that a person may wish to perform and engage in. This in turn depends on a person’s *capability*, which hinges not on monetary income alone, but on a wider array of social arrangements and factors. This framework led to two important changes in development thinking. First, it encouraged a move away from the narrow focus on income—which can be only an indirect enabler—to more direct measures of human welfare. Second, it also encouraged a multidimensional view of human welfare rather than a unidimensional focus on income. These ideas coalesced in the concept of human development, disseminated by the United Nations Development Programme (UNDP) through its Human Development Reports launched in 1990. The reports included the Human Development Index (HDI) covering life expectancy, education and income as well as country rankings according to this index. Although this represented an important step forward towards multidimensionality and direct measures of human welfare, the Index remained a partial measure. There was therefore an urge to move still further along in this direction.

A series of United Nations conferences held in the 1990s brought key social development concerns and the demands of numerous social movements to the fore. International conferences included the World Conference on Education for All (Jomtien, Thailand, 1990); the World Summit for Children (New York, 1990); the United Nations Conference on Environment and Development (Rio de Janeiro, Brazil, 1992), which adopted Agenda 21 (United Nations, 1993)<sup>4</sup> and the Rio Declaration on Environment

<sup>3</sup> United Nations, *Treaty Series*, vol. 1249, No. 20378.

<sup>4</sup> Resolution 1, annex II: Agenda 21.

...and later incorporated  
the ideas of capabilities  
and multidimensional  
human welfare

and Development (ibid.);<sup>5</sup> the World Conference on Human Rights (Vienna, 1993); the International Conference on Population and Development (Cairo, 1994); the World Summit for Social Development (Copenhagen, 1995); and the Fourth World Conference on Women (Beijing, 1995).

## Formulation of the international development goals

Within the Organization for Economic Cooperation and Development (OECD), members of the Development Assistance Committee (DAC)<sup>6</sup> engaged in a reflection exercise about the direction of official development assistance (ODA) in the mid-1990s, in the context of the United Nations renewed commitment to international development. At that time, ODA was largely focussed on supporting countries in transition. In May 1996, the DAC published the document entitled “Shaping the 21<sup>st</sup> century: the contribution of development co-operation” (OECD, 1996), which assembled a short list of the goals and targets adopted in the United Nations international conferences, particularly in the areas of poverty, education, health, gender, environment and governance. The document contained six quantitative goals: (i) poverty reduction by half by 2015; (ii) universal primary education; (iii) gender equality; (iv) infant mortality reduction by two thirds and maternal mortality reduction by three fourths; (v) access to primary health care and reproductive health services; and (vi) reversing the loss of environmental resources. These came to be known as the international development goals (IDGs) (Manning, 2009).

The IDGs gained support in the development community as well as among leading international organizations. The OECD, the United Nations, the World Bank and the IMF initiated a process of cooperation at the secretariat level with a view to agreeing on indicators for monitoring progress towards the IDGs. In 1998, the Group of Eight (G8), at its twenty-fourth Summit in Birmingham, United Kingdom of Great Britain and Northern Ireland, supported the IDGs despite certain reservations on the part of some of its members.

The cooperation among the OECD, the United Nations Secretariat, the World Bank and the IMF led to a set of 7 IDGs with 21 indicators. The goals had already been included in box 6.2 of the UNDP *Human Development Report 1997* (United Nations Development Programme, 1997a), as well as in the World Bank’s *World Development Indicators* (from 1998 onward). The World Bank and the IMF came to see the relevance of the IDGs for resolving the debt problems of the Heavily Indebted Poor Countries (HIPC), as reflected in the World Bank-IMF paper entitled “Heavily Indebted Poor Countries (HIPC) Initiative: strengthening the link between debt relief and poverty reduction” (International Monetary Fund and International Development Association, 1999).

In 1999, United Nations organizations adopted a revised set of guidelines for the production of common country assessments and for the United Nations Development Assistance Framework, which included among their 40 indicators most of the 21 indicators that had emerged from the DAC-led process. The outcome of this cooperation was made public in the June 2000 report entitled “A better world for all: progress towards the international development goals” (International Monetary Fund, Organization for

**The OECD Development Assistance Committee’s six international development goals provided a basis for the MDGs...**

**...which expanded to 7 goals with 21 indicators with collaboration from the United Nations, the World Bank and the IMF**

**In June 2000, the United Nations organizations launched a special report that contained 40 development indicators**

<sup>5</sup> Ibid., Resolution 1, annex I.

<sup>6</sup> The DAC became part of the OECD by ministerial resolution on 23 July 1961. It is a unique international forum for many of the largest funders of aid, including the 29 Committee members. The World Bank, International Monetary Fund and United Nations Development Programme (UNDP) participate as observers.

Economic Cooperation and Development, United Nations and World Bank Group, 2000). This report was launched by then Secretary-General Kofi Annan at the twenty-fourth special session of the General Assembly held in Geneva from 26 June to 1 July 2000, entitled “World Summit for Social Development and beyond: achieving social development for all in a globalizing world”.

## The United Nations Millennium Declaration and the formulation of the MDGs

Preparations for the Millennium Summit, to be held in September 2000, were marked by the significant propulsion of unprecedented political mobilizations in the 1990s and by the end of the cold war. The international development community was ready to embrace a longer view and ponder long-term development goals. These were the times for refocusing attention and shifting the enormous quantities of resources that had been channelled towards armaments in the direction of activities for peaceful development.

On 27 March 2000, the report of the Secretary-General entitled “We the peoples: the role of the United Nations in the twenty-first century” (United Nations, General Assembly, 2000), provided the foundations for the Millennium Declaration to be adopted at the Summit. The report was expansive in laying out the new challenges of the new century, focusing on globalization and governance, freedom from want, freedom from fear, sustaining our future and renewing the United Nations. Section VII of the report presented, for consideration by the Summit, a compilation of values and priorities (including initiatives of the Secretary-General) with regard to poverty reduction, peace and security, the environment and strengthening of the United Nations.

The Millennium Declaration was adopted by the General Assembly in resolution 55/2 of 8 September 2000. It followed the expansiveness of the “We the peoples” report and included sections on values and principles; peace, security and disarmament; development and poverty eradication; protecting our common environment; human rights; democracy and good governance; protecting the vulnerable; meeting the special needs of Africa; and strengthening the United Nations. The section on development and poverty eradication contained the following list of time-bound targets:

- To halve, by the year 2015, the proportion of the world’s people whose income is less than a dollar a day and the proportion of people who suffer from hunger and, by the same date, to halve the proportion of people who are unable to reach or to afford safe drinking water;
- To ensure that, by the same date, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling and that girls and boys will have equal access to all levels of education;
- By the same date, to have reduced maternal mortality by three quarters and mortality of children under the age of five by two thirds of their current rates;
- To have by then halted, and begun to reverse, the spread of HIV/AIDS, the scourge of malaria and other major diseases that afflict humanity;
- To provide special assistance to children orphaned by HIV/AIDS;
- By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers as proposed in the “Cities without Slums” initiative.

**The Millennium Declaration was adopted in September 2000 and contained the basis for the MDGs**

The final formulation of the MDGs was the result of further refinement in the technical formulation of these time-bound targets and the selection of indicators that would facilitate equally unprecedented efforts for monitoring progress. Additional targets and indicators were added following the outcome of the World Summit held on 14-16 September 2005 for issues related to reproductive health, access to HIV/AIDS treatment and loss of biodiversity. Also, some targets were revised (e.g., the employment target) or simply reallocated (e.g., the safe drinking water target). When the revisions were completed, the MDG framework (effective from January 2008) contained 8 goals, 21 targets and 60 indicators (see annex).

The MDGs were intended as global targets in the sense that they would be achieved through the combined effect of progress in all countries. The formulation of the goals focused on developing countries. MDGs 1-6 (poverty and hunger; universal primary education; gender equality and empowerment of women; child mortality; maternal health; HIV/AIDS, malaria and other diseases) and targets B and C of MDG 7 (sustainable access to safe drinking water and basic sanitation and improvement in the lives of slum dwellers) encompassed the human development challenges that mostly developing countries were facing at the time. For MDG 8, developed countries pledged a global partnership to support efforts in developing countries. Targets A and B of MDG 7 were the exception; they were essentially environmental targets set for all countries.

## Legacies of fifteen years of efforts to achieve the MDGs

Concerted efforts at the international, national and subnational levels brought about significant progress towards achieving the MDGs between 2000 and 2015.<sup>7</sup> Globally, the goals on poverty reduction and improved drinking water were reached five years ahead of schedule. Major progress has also been made with respect to primary education and in the fight against AIDS, malaria and tuberculosis. Other MDG targets were not met. Shortfalls remain in achieving the targets for reducing hunger and child and maternal mortality, and improving gender equality and environmental sustainability. Large gaps also remain in the delivery on the global partnership commitments, particularly with regard to ODA. In addition, progress has been uneven across countries, among different population groups, and particularly among regions within countries. Completing the targets set by the MDGs will be among the challenges of the 2030 Agenda for Sustainable Development.

Notwithstanding the remaining challenges, the world has climbed higher on the development ladder over the past fifteen years. At the same time, the global development agenda crystallized in the MDGs has been important for development thinking and practice, especially in relation to the following seven areas:

First, the formulation of the MDGs shifted the emphasis from economic growth to a broader development agenda prioritizing issues related to poverty reduction, education, health and gender, among others. Greater coherence between economic and social policies became essential to ensuring inclusive and equitable economic growth. By 2010, the

**The MDGs were refined into their final formulation following the World Summit of September 2005...**

**...aiming at global targets, although the formulation focused on developing countries for most goals**

**Efforts at all levels have resulted in significant progress towards MDG achievement...**

**...and, at the same time, the MDGs have a number of other broader legacies**

<sup>7</sup> See *The Millennium Development Goals Report 2015* for the official data regarding the achievement of the Millennium Development Goals (MDGs) (United Nations, 2015a).

international community considered sustained, inclusive and equitable growth a key driver for achieving the MDGs.<sup>8</sup>

Second, the MDGs became a framework for development cooperation and a point of reference for the programmatic activities of multilateral institutions (including the World Bank and the IMF) and regional development banks.

Third, the MDGs energized the intergovernmental process for development. The creation of a global partnership for development in MDG 8 was intended to create an enabling international environment of cooperation towards the achievement of MDG targets. The Global Partnership resulted in concrete efforts to improve the global trading and financial system, debt sustainability in countries that needed debt relief, access to affordable essential drugs, and improved access to new technologies. It also addressed the special needs of the least developed countries, landlocked developing countries and small-island developing States. Progress in all these areas is reported in the *MDG Gap Task Force Report 2015* (United Nations, 2015b).

Fourth, the MDGs became a point of reference to guide national policies towards priority development issues.

Fifth, at the country level, the MDGs energized not only national Governments and organizations associated with them, but many non-State and non-governmental actors as well. Many non-governmental organizations, civil society organizations, foundations and other philanthropic entities, and even individuals, played important roles in the adoption of the MDGs at the country level, and in further contributing to progress towards achieving these goals. Many business organizations, including multinational corporations and other private companies, also joined the MDG efforts in various ways. The MDGs thus became a widely shared, multi-stakeholder effort.

Sixth, the MDGs became a powerful tool for advocacy and political mobilization around issues that are essential to people.

Seventh, the MDG monitoring framework helped to improve statistical capacity and data availability, prompted public support and funding for development, and informed development policy decision-making.

Some of the legacies of the MDGs that are most pertinent for implementation of development goals at the country level are discussed in more length in the remainder of this section.

### National adoption as the basis for implementation<sup>9</sup>

After adoption of the MDGs by the General Assembly, it took some time for the goals to gain momentum at the country level. Between the endorsement of the Millennium Declaration and around the mid-2000s, the international development system and national Governments considered ways to start actively supporting and participating in the adoption and adaptation of the MDGs in national policy frameworks. Advocacy and awareness were

<sup>8</sup> See, for example, General Assembly resolution 65/10 of 23 November 2010 (United Nations, General Assembly (2010)).

<sup>9</sup> This and the next subsections draw extensively from a review of MDG progress reports for 40 focus countries. The sample of countries was defined on the basis of a country ranking per MDG indicator (see Sánchez, Julca and Winkel (2015a, annex)). All United Nations developing-country groups are represented. Only those reports that provided concrete examples presented in this chapter are explicitly referenced in the text. All reports consulted are listed in the bibliography.

well underway to rally political and public support for the goals, but they were mostly concentrated at the international level. Translating global targets into actual programmes at the country level took much longer.

Early steps to address the MDGs in the context of national development plans and strategies were also being taken at the same time in a number of countries (e.g., Bolivia (Plurinational State of), Guatemala, Senegal and United Republic of Tanzania) (Alarcón, 2003). However, the adoption of the MDGs at the country level increasingly gained traction only in the mid-2000s through a mobilization effort from United Nations agencies working with national Governments and other stakeholders, organized around the preparation of the first national MDG progress reports.

Prompted by political leadership, wide consultation efforts succeeded in engaging a variety of stakeholders in order to build national consensus and forge partnerships and political commitment towards the MDGs, leading to a process of internalizing, localizing or contextualizing the MDGs.

Contextualizing the MDGs was necessary for balancing global ambitions with context-specific realism and to facilitate alignment of MDGs with national development frameworks. Some countries added their own ninth MDG or reformulated the targets, indicators and benchmark years to reflect national realities. For example, Afghanistan adopted the goal of enhancing security; Albania and Mongolia both adopted goals on human rights and democratic governance; Cambodia and the Lao People's Democratic Republic adopted goals to remove unexploded explosive weapons, especially land mines. Afghanistan was facing challenges in reducing the maternal mortality ratio, so the Government added targets for reducing high fertility rates and for increasing the proportion of women receiving antenatal care. Pakistan, as part of the effort to improve gender equality, particularly in education, adopted a target for youth literacy and gender parity. A number of countries also added national targets to MDG 3—on combating domestic violence, for example (Albania, Armenia, Tajikistan, and Colombia). Other countries (Botswana, Kyrgyzstan and Tajikistan) expanded their targets for education to include levels beyond primary education (United Nations Development Programme, 2010a). Afghanistan signed the Millennium Declaration in 2004, not 2000, because of the country's long-standing conflict that predated the MDGs, thus extending the period to implement the goals. Given the breadth of the MDG targets as well as the efforts required to meet them, some countries decided to focus efforts on particular goals.<sup>10</sup>

In a number of countries, reforms to legislation were a fundamental vehicle for reaching specific MDG targets. In Afghanistan, for example, the adoption of the MDGs was accompanied by the removal of discriminatory laws against women. Bangladesh's Government also enacted two laws in the early 2000s to address the complex problem of violence against women. Pakistan has introduced a series of new laws pertaining to health care, employment, and harassment and domestic violence. In Morocco, the Family Code was changed to raise the age of marriage and issues of property sharing and inheritance were also addressed. These initial changes to legislation were critical to improving the development outlook of key population groups. For example, changes in the legal age of marriage in Ethiopia contributed to significant increases in economic participation by women and girls 15-24 years old (Hallward-Driemeier and Gajigo, 2013). Existing laws were revised too. The Government of Sri Lanka had addressed women's participation in the

**National adoption of the MDGs was an important factor in implementation and was supported through United Nations mobilization efforts**

**Localizing, contextualizing and legislation were all important factors in aligning the MDGs with national and local development frameworks**

<sup>10</sup> For country examples, see Sánchez, Julca and Winkel (2015a).

labour market by passing maternity protection laws beginning in 1992. These laws were revised and expanded in 2002 and later in 2011 (United Nations Children's Fund, 2013a). There have also been constitutional amendments in a number of countries, as early as 2001, in order to increase women's participation in parliament or the number of seats reserved for women in proportion to parliamentary representation. MDG progress reports and UNDP (2010b) show that Bangladesh, Burundi, Ghana, Rwanda and Kyrgyzstan, among others, have amended their constitutions in that regard.

### A point of reference for policy formulation

While the MDGs and their related targets were not intended to become planning targets at the national and local levels, they were reflected in most poverty reduction strategy papers (PRSPs) as a precondition for securing loans from the World Bank and the IMF.

**MDGs began to feature in PRSPs and other national development plans; for many countries this did not occur immediately after adoption**

A review of 22 PRSPs—15 of which were prepared between 2005 and 2007 and 1 (Rwanda) in 2008—indicates that almost all of them expressed a commitment to the MDGs (Fukuda-Parr, 2010). By 2008, however, only 2 countries (Cambodia and Malawi) had taken concrete steps towards adapting the MDGs and integrating them as planning targets. More decisive steps were taken towards local adaptation of the MDGs after 2008. In 2010, Heads of State and Government adopted a General Assembly resolution to reaffirm their increased efforts towards the achievement of the MDGs (Sánchez, Julca and Winkel, 2015a).

The MDGs were also reflected in other programming instruments. Afghanistan adopted its Vision 2020 for meeting most MDGs after broad consultations and international endorsement. In Botswana, the seven pillars of their Vision 2016 plan as well as the 2010-2016 National Development Plan matched the MDGs (United Nations Development Programme, 2010a). Similarly, the 7<sup>th</sup> National Socio-Economic Development Plan, covering 2010 through 2015, became the focal document detailing how the Lao People's Democratic Republic aimed to achieve the MDGs (World Bank, 2010a).

Some national development strategies set more ambitious goals than the MDGs. India's 11<sup>th</sup> National Plan (2008-2012), for example, contained 27 monitorable targets, many of which are consistent with, or even more ambitious than the MDGs. This is also the case in Bhutan and Thailand (United Nations Development Programme, 2010a).

Development plans of many countries included targets that do not directly match those of the MDGs but whose achievement helped to drive MDG progress. Bhutan's Ninth Five Year Plan (2003-2008), for example, emphasized the need to improve the overall nutritional status of the population. The sectoral policy of this plan specifically identified a target for reducing protein-energy malnutrition in children under five and eliminating micronutrient deficiencies by 2007. These aspirations have contributed to making progress in reducing under-five mortality.

**Some countries added MDG targets to existing development plans or found other means of integrating the MDGs into domestic operations...**

Adding MDG targets to existing programmes guided national policies towards priority development goals. Zambia and Zimbabwe adopted MDG 6 targets related to HIV/AIDS into existing programmes. Both countries had programmes in place to combat the epidemic since 1986. The partnerships promoted through the development implementation process after 2000 helped to catalyse progress through existing frameworks by channelling resources into already operational but underfunded programmes. Ethiopia's integration of MDGs into its agricultural development-led industrialization strategy is another important example of incorporating targets into existing plans. This country's efforts to modernize

the agricultural system had important effects on poverty alleviation, employment and food security (Ethiopia, Ministry of Finance and Economic Development, 2005).

A recent review of national development strategies in fifty countries by Seyedsayamdost (2014) corroborates these observations. One of the key findings is that thirty two of the development plans under review have either adopted the MDGs as planning and monitoring tools or “localized” them by changing the target date towards specific goals and targets and integrated them in subnational planning. PRSP countries were found more likely to have aligned their national plans with the MDGs. Nevertheless, a discouraging finding of the study is the weak connection between planning and implementation, as MDG alignment of national strategies has not necessarily translated into greater pro-poor or MDG-oriented policies. In fact, the study found that countries that have not integrated MDGs into their national plans were just as likely to allocate government funds to the social sectors as the MDG aligners.

The apparent disconnection between development goals (including the MDGs) and government spending is a clear illustration of an outstanding challenge to match development aspirations and the budgetary framework.

### The MDG monitoring framework

One of the most important contributions of the MDGs was in the area of statistics. MDG monitoring improved the availability of internationally comparable data and indicators, improved cooperation and coordination within Governments, helped to improve statistical standardization and information systems, and demonstrated the importance of reporting on progress.

The United Nations and the international community also took major steps to facilitate the implementation of the MDGs through a strong, transparent framework to monitor progress. The MDG monitoring framework helped to improve statistical capacity and data availability, generated information that prompted public support and funding for development, and guided development policy decision-making.

The United Nations Inter-Agency and Expert Group on MDG Indicators (IAEG-MDG), established in 2002 and consisting of international agencies, regional organizations and national statistical offices, has been responsible for the global and regional monitoring of progress towards achieving the MDGs. As mandated by the United Nations Statistical Commission (UNSC), the IAEG-MDG helped to improve data and methodologies for the monitoring of the MDGs and define priorities and strategies to support countries in data collection, analysis and reporting on MDGs. The IAEG-MDG has worked efficiently since its creation to ensure that MDG monitoring is firmly grounded in statistically sound principles and that the latest and most reliable data from official statistical sources are available (United Nations, 2014).

The international statistical community has also supported national authorities in their undertaking of household surveys which have proliferated on a more regular basis since the MDGs were adopted.<sup>11</sup> These surveys have enabled developing countries to produce statistically sound and internationally comparable estimates on most MDG indicators.

**...although planning and implementation were not always well coordinated**

**The MDGs made important contributions to improving statistical monitoring, cooperation, dissemination and comparability**

<sup>11</sup> Examples of these surveys include Demographic and Health Surveys (DHS), Multiple Indicator Cluster Surveys (MICS), International Comparisons Programmes, and Living Standard Measurement Surveys (LSMS).

**There have also been important efforts for improving statistical capacities across many countries**

They have been one of the primary sources of data for monitoring MDG progress (Chen and others, 2013).

There have been important initiatives to support countries in assessing their statistical capacities towards the formulation of national strategies for the development of statistics. One of the most prominent of these initiatives is the National Strategies for the Development of Statistics conducted by the Partnership in Statistics for Development in the 21<sup>st</sup> Century (PARIS21). A significant number of developing countries have undergone these assessments and the vast majority of them are currently implementing or designing a strategy (PARIS21, 2014).

In addition, the regional commissions played an active role in strengthening the statistical capacity of Member States for MDG monitoring. For example, the Economic Commission for Latin America and the Caribbean (ECLAC) adopted the MDG Statistical Programme, geared towards statistical development, statistical conciliation, strengthening monitoring capacities, and regional monitoring of MDG indicators. The Economic Commission for Europe (ECE) held numerous workshops, including in Baku, Bishkek and Tirana, to help member organizations generate and prepare human development indices. In May 2011, the African Centre for Statistics of the Economic Commission for Africa (ECA) published the “Handbook on data sources and estimation of development indicators in African countries: Millennium Development Goals” (United Nations, Economic Commission for Africa, 2011). On 6 September 2010, the Economic and Social Commission for Western Asia (ESCWA) issued a report on Millennium Development Goals and gender indicators (United Nations, Economic and Social Commission for Western Asia, 2010), highlighting the gender dimension of MDG-related progress.

As a result, data availability for the majority of the internationally monitored MDG indicators has improved. An analysis of a subset of 22 MDG indicators showed that the number of developing countries that had two or more data points for at least 16 of those indicators rose from 4 countries in 2003 to 129 countries in 2013. For instance, about half of the countries in developing regions had at least one data point available to measure skilled attendance at birth accurately in 1990-1994, whereas 90 per cent of those countries had this type of data available by 2005-2009 (United Nations, 2014a, p. 7).

Availability of nationally generated data also improved. In Zimbabwe, for example, while initial data to assess the prevalence of HIV/AIDS for the first MDG progress report came from UNAIDS, data on HIV/AIDS are now collected by the Zimbabwe Democratic Health Survey (ZDHS), the Ministry of Health and Child Welfare (MoHCW) and the National AIDS Council. Similarly, collaborations between ministries have shown to be effective in Zambia’s measurements of HIV/AIDS related issues with data quality rated as strong. The Central Statistical Office and the Central Board of Health undertook the data collection in collaboration with the administration of ZDHS. In Cambodia, the implementation of MDG monitoring has facilitated the development of common statistical standards on core indicators across the national statistical system. A repository for development indicators and the development of a metadata handbook have been established to further promote agreed standards and to create greater transparency for users of the data. In Bangladesh, a central data repository for the monitoring of MDGs has been created based on a Database Management System. In 2003, the Albanian Parliament passed a resolution encouraging all stakeholders to measure and monitor progress through national monitoring and evaluation systems. Albania was among the first countries to develop subnational MDG

targets and indicators with the aim of using this information for planning and developing regional strategies.

Because statistical capacity and data availability have improved considerably, MDG progress reporting has become a well-established practice at the country, regional and international levels, as noted above. There have also been National Voluntary Presentations of various countries to ECOSOC on their progress towards internationally agreed goals, including the MDGs. Numerous reports related to individual MDGs and targets, such as the Global AIDS Response Progress Reports (GARPR) have been produced at the country level by national organizations in collaboration with UNAIDS to detail countries' progress in combating HIV/AIDS.<sup>12</sup>

Countries have also made efforts to introduce systems of reporting to national authorities. In Kenya, the Ministry of State for Planning, National Development and Vision 2030, has been involved in publishing needs assessments and costing reports as well as MDG status reports. A parliamentary caucus has also been organized to monitor progress at the constituency level. In Nigeria, a secretariat that reports to the President was established to monitor and report on the management of funds allocated to MDG-related programmes, while a standing committee on the MDGs was created in the Lower House (of Parliament) to produce oversight reports (Inter-Parliamentary Union and the Millennium Campaign, 2010). In the Philippines, government agencies involved in MDG-related projects have been required to submit annual reports on allocations and spending and the accomplishments made for the implementation of programmes and projects for the MDGs. The National Economic and Development Authority consolidates the reports to produce information about the Government's financial investment in the MDGs (Morales-Capones, 2013). An important factor to note is that the Philippines already had a well-functioning statistical system in place, which was able to "institutionalize MDGs as a framework for statistical coordination and generation across stakeholders for compiling data on different levels" (Reyes and Abejo, 2006, cited in Chen and others, 2013, p. 12).

Next to helping develop statistical capacity and data availability, MDG monitoring has also generated public support and funding for development and informed development policy decision-making. For example, funding for HIV/AIDS programmes had more than tripled in 2014 compared to a decade ago, and about ten million people living with HIV/AIDS accessed antiretroviral treatment in 2012. This mobilization of funds is partly explained by the monitoring of HIV and AIDS at the country level. In fact, the number of Member States submitting country progress reports for the GARPR increased from 102 in 2004 to 186 in 2012 (United Nations, 2014a, p. 6).

The availability of reliable and timely data has permitted better targeting of policies. Access to more disaggregated data has made it easier to identify problems in local areas and specific population groups, thus making policy interventions more effective. An interesting example was the expansion of the National Integrated Database for Civil Registration in Mongolia, which made important steps in improving the Government's ability to collect

**A number of countries have also taken steps to implement reporting systems for national authorities**

**Better statistical capacity also aided in raising public support, increasing funding and better targeting of policies**

<sup>12</sup> At the international level, there are also regional and global MDG reports produced by UNDP and other collaborating organizations, including the United Nations regional commissions, the regional development banks, and regional governing bodies. The World Bank also produces annual MDG global monitoring reports to track progress on implementing policies and related development outcomes.

population data.<sup>13</sup> This initiative not only developed electronic connections between the capital and regional and district offices, it also built the capacities of local government officials in using the system. Furthermore, the new system improved the distribution of a cash transfer programme (United Nations Development Programme, 2009). Another example is the comprehensive, MDG-based poverty-monitoring system established by the Government of the United Republic of Tanzania, whose indicators and trends prompted the Government to increase funding to agriculture aimed at addressing rural poverty and food security; fully meeting the budgetary requirements for primary education and basic health; and abolishing primary school fees and other related costs. Disaggregated data have helped to track progress more accurately in local areas and across marginalized and disadvantaged groups in order to map out inequalities. For example, analysis of household surveys in Bosnia and Herzegovina has shown that only 32 per cent of the lowest income quintile of the Roma population had access to an improved drinking water source, compared to 82 per cent of the lowest income quintile of the general population (United Nations, 2014a, p. 6).

## Lessons learned and the Survey

The experience of the past fifteen years is rich in lessons that are relevant for the transition to and implementation of the 2030 Agenda for Sustainable Development, and the SDGs in particular. Although the SDGs are global in nature and universally applicable, they will take into account different national realities, capacities and levels of development and respect for national policies and priorities. Each country will continue to be primarily responsible for its own sustainable development. Hence, the role of national policies, domestic resources and development strategies will be at the forefront of the development agenda. The discussion above and a more detailed analysis of policies and governance issues presented in the remainder of this *Survey* intend to draw general lessons and policy recommendations.

### Early adoption and fast-tracked implementation

While the implementation of the MDGs took time to gain traction, SDG implementation is likely to proceed at a faster pace precisely because of the MDG experience: building on the foundation laid by MDG efforts, countries and relevant stakeholders are well positioned to adapt global goals and targets to specific country contexts, and to do so in a timely manner.

Countries are now better positioned to create the first SDG baseline by evaluating starting conditions in the different areas covered by the new goals.<sup>14</sup> An SDG baseline report will facilitate integration of the SDGs into national and local planning and will be a first step in the preparation of regular progress reports with the participation of multiple stakeholders—a desirable good practice established by the experience of MDG monitoring.

**Measurement of initial conditions will facilitate more rapid integration of the SDGs into national planning frameworks and more rapid SDG implementation**

<sup>13</sup> This initiative was undertaken in the context of the UNDP Democratic Thematic Trust Fund (DGTTF), which has funded a number of projects related to governance in a variety of countries.

<sup>14</sup> As proposed in United Nations Economic and Social Council (ECOSOC), “Report of the Friends of the Chair Group on broader measures of progress”, Note by the Secretary-General, Forty-sixth Session of the Statistical Commission, held in New York from 3-6 March 2015, E/CN.3/2015/2. Available from <http://unstats.un.org/unsd/statcom/doc15/2015-2-BroaderMeasures.pdf>.

Because the 2030 Agenda for Sustainable Development is broader than the MDG agenda, it will be important to take stock of starting conditions and capacity constraints in order to create priorities during the process of implementation. Building from effective MDG partnerships, early identification of resource needs—including needs to support national capacity-building in specific areas—will be critical to identifying those policy options on which countries should focus their efforts in order to achieve the SDGs.

SDG implementation need not start from scratch. It will be important to ensure continuity between existing development programmes and the new programmes that will be designed to pursue the achievement of the SDGs. Some countries already have development plans that extend beyond 2015 as noted above. Countries will need policy space to continue existing programmes deemed successful while integrating new programmes into their national development strategies. International support to countries' efforts should be consistent with countries' planning frameworks to ensure policy coherence.

### Integrated adaptation

The SDGs are broader in nature than the MDGs: they will integrate all the key dimensions of sustainable development. The new targets represent aspirational global targets that will have to be adapted to countries' realities. Adaptation of the SDGs will have to be deeper and more creative than that of the MDGs. Countries will have to set their own national targets, guided by the global level of ambition while taking national circumstances into account to establish realistic parameters.

Prioritizing certain goals, as seen in some countries during MDG implementation, may be one way of ensuring more effective implementation of related programmes. However, while the MDGs were defined across sectoral lines (on specific achievements in education, health and so on), the SDGs will require more integration. One of the main features of the SDGs is the explicit recognition of the interlinkages of economic, social and environmental policies in achieving sustainable development. Incorporating these goals into integrated development planning and financing frameworks will be most challenging.

Coordination efforts within government will be particularly necessary for translating national development strategies and plans into public expenditure programmes within a coherent multi-year macroeconomic and fiscal framework. In addition, aspects of budget management, notably budget execution capacity, will have to be addressed during the stage of adaptation of the new goals in order to ensure timely channelling of resources to social and environmental sectors.

### Bridging gaps to make the most of data legacy

Going forward, implementation of the 2030 Agenda for Sustainable Development will critically depend on the capacity of countries to collect the appropriate statistics to set benchmarks and monitor progress towards the SDGs. Collaboration with the international statistical community will continue to play a fundamental role in building new and assessing existing statistical capacity.

The challenges ahead are further heightened by the growing demand for better, faster, more accessible, and more disaggregated data for bringing poverty and inequalities down and achieving sustainable development. In response to this demand, the Report of the High-Level Panel of Eminent Persons on the Post-2015 Development Agenda has called

**The SDGs must be appropriately and creatively adapted to conform to countries' local conditions**

for a “data revolution”. Country ownership and government commitment to increasing resources for the statistical system and building statistical capacity, with the support of the international community, will be a requisite of a data revolution.

**A “data revolution” building upon the statistical architecture inherited from the MDGs which addresses existing data gaps is necessary going forward...**

Reinforcement of the existing data infrastructure to bridge important data gaps will be a necessity to pursue development goals. A worrisome example of data gaps is the fact that a large number of developing countries still lack complete civil registration systems. These systems can be the basis for reporting births and deaths. It is estimated that nearly 230 million children worldwide under age five have never been registered—approximately one of every three children in that age group (United Nations, 2014a, p. 7). Children unregistered at birth or lacking identifying documents are often excluded from access to education, health care and social security, which represents a serious bottleneck for development. For example, some countries still have limitations in assessing trends in malaria occurrence over time mainly because their national health information systems generate incomplete or inconsistent data. Malaria cases also remain underdetected where the disease burden is highest because of a lack of effective surveillance systems. The development of environmental accounting is also a work in progress that needs support.

Going forward, it will also be necessary to enhance analytical capacities for using existing data for analysis and planning purposes. Data are more widely available nowadays; yet, this does not imply a full utilization of the existing information. The wealth of information from population censuses and household surveys has not been fully exploited. Limited efforts have been made to fully analyse and effectively use these data sources, especially the use of disaggregated information by wealth quintile, sex, specific population groups and place of residence. Analysis of data at this level of disaggregation will be essential to addressing persistent inequality issues, given the inclusive nature of the new agenda.

**...and countries will benefit most if they improve the use of existing data and strengthen national statistical capacities**

It will be particularly important to build national capacities for the appropriate use of statistics. In most MDG progress reports, assessing whether a country was going to meet a goal was based on linear projections of current trends. While this may work for some indicators, there are significant non-linear trends in many cases, depending on local circumstances, including the types of policies enacted, the timing of the policies and the time lags with regard to policy effectiveness. For example, as will be further discussed in this *Survey*, investments in education may demonstrate relatively immediate effects in enrolment, but take much more time to show progress in completion or in improving the skill level of the labour force. Linear projections of past performance may then either overstate or understate potential achievements with consequent effects on the effectiveness of related policies. Further efforts to expand countries’ capacities for data and scenario analysis—so that they can make more detailed and evidence-based projections—will have positive feedback effects on policy coherence.

Improving coordination and collaboration between national and international statistical agencies will also be important for making sure that national data and international data comply with similar standards, definitions and computation methods. This will provide the basis for ensuring compatibility of national sources in the production of global indicators.

### Policy integration, coherence and effectiveness

The remaining chapters of this *Survey* focus on policies that contributed to making progress towards the achievement of the MDGs, as well as aspects of national governance and

institutions that have been critical for implementing these policies at the country level. The review of policies is mostly for the period since the MDGs were adopted by countries, but in many instances the policies resulted from long-term processes that predate the MDGs. In many instances, these policies confirmed countries' long-term commitment to poverty reduction and human development. The *Survey* recognizes the difficulty of knowing exactly whether the MDGs were the main motivators of many of these policies. Countries' development policies must have contributed to the achievement of the MDGs whether explicitly linked to these goals or not. The combined analyses in the remaining chapters of the *Survey* support six overarching lessons in regard to policies.

*First*, a coherent and comprehensive policy framework that integrates economic, social, and environmental interventions is critical to minimizing trade-offs. Social policies have allowed countries to build and promote human development and to improve women's participation in the labour force. These policies have generally supported economic growth and other development goals at the same time. Nonetheless, outcomes and spillover effects have generally resulted from pursuing policies as a set of discreet sectoral interventions, rather than as a coherent and comprehensive economic, social and environmental policy framework. Hence there have been important trade-offs between different types of policies and unintended effects. For example, there is evidence that microcredit programmes and agricultural credit programmes for women, which would presumably help reduce poverty and gender inequality, have actually reduced girls' school attendance as they were kept at home to help participate in the new economic activities supported by the programmes (Islam and Choe, 2013, cited in Unterhalter and others, 2014). Going forward it will be critical to identify positive synergies and trade-offs and pay more attention to policy consistency to facilitate simultaneously meeting multiple development objectives. The development of robust scenario analyses becomes instrumental to these purposes.

*Second*, although economic, social and environmental policies will be grounded in the 2030 Agenda for Sustainable Development, which is universal in nature, the experience of the past fifteen years corroborates that no single policy approach is applicable in all circumstances. Going forward, policies will have to be appropriately situated within the broader development policy framework of each country and tailored to overcome specific constraints and enhance positive synergies in each country and community system. The constraints include suboptimal human capital and underdeveloped physical infrastructure in addition to other financial, socioeconomic and capacity constraints.

*Third*, in a similar vein, careful consideration of starting conditions and constraints will be important in determining what interventions and strategies can produce the best outcomes possible. In some contexts, the best known policies available are no longer effective because they have already run their course or because the causes leading to such obstacles changed such that the policies no longer apply. Health care is an area where the causes of disease and death become particularly visible as a consequence of successful policy outcomes. For example, the reduction of deaths in children under five years of age but older than one month has exposed the issue of neonatal mortality (deaths of newborns occurring in the first 28 days of life), which was invisible when the MDGs were adopted. When best practices are no longer producing sound improvements in outcomes, new practices and solutions become necessary. In some instances, it may just be a matter of ensuring that existing development-enabling laws are adequately reinforced and interventions made effective.

**A coherent and comprehensive policy framework is critical for minimizing trade-offs...**

**...but no single policy approach is applicable in all circumstances**

**Progress has made some populations more visible and efforts should continue to focus on the poorest and most vulnerable**

*Fourth*, the potential for policies, especially social policies, to be fully exploited and the degree to which they are effective will depend on whether they reach the poorest and most vulnerable populations. This includes those groups that have become more visible due to progress over the period since the MDGs were adopted such as newborns, indigenous people, people with disabilities or those living with HIV/AIDS, among others. Additional efforts to tailor existing policies or develop innovative ones will be necessary in order to ensure appropriate coverage of these groups. Integrating communities into policy planning, organizing and implementation can also improve effectiveness and outreach going forward. This will require adequate governance and institutions at the national and local levels.

**Increases in the quality and quantity of human resources, along with effective monitoring and evaluation, will be necessary to achieve the SDGs**

*Fifth*, improving the quantity and quality of human resources for the provision of social service delivery has proven critical for the achievement of development goals. There is a need for continued and expanded efforts to retain effective civil servants, including through competitive salaries and proper structuring of incentives and career development opportunities. However, this will not be enough. Stepping up investments in traditional (quality) education will be one of the most important interventions in attempts to bridge the relevant human resources gaps, especially in sectors such as health. Because this investment will take time to bear fruit, it will need to be complemented with more immediate training efforts—especially those that increase the supply of public civil servants—without compromising the quality of service. More broadly, there is scope for strengthening of both governance and institutions in the countries that most need it.

*Sixth*, it will be important that countries undertake effective monitoring and evaluation of programmes and their outcomes to ensure policy coherence, effectiveness, and adequate outreach of targeted populations. Community involvement and decentralization should feature prominently in monitoring and evaluation efforts, as was learned in the MDG experience. Monitoring effectiveness will require periodic assessments to ensure that programmes are producing the intended results; such monitoring should be facilitated by the statistical capacity and data availability inherited from the MDG monitoring framework and rooted in good governance and institutions.

## Organization of next chapters

**Economic conditions and policies were a significant factor in MDG achievement and will continue to be relevant for the SDGs**

Starting with chapter II, the *Survey* notes that economic policies have been adapted depending on the economic conditions prevailing before, during and after the global economic crisis that erupted in 2008 with varying degrees of success. During times of economic prosperity, as in the period before the crisis, it is important to expand investment, both economic and development-related, and build robust mechanisms—such as foreign-exchange reserves that are bundled in sovereign wealth funds—to smooth shocks and deal with downturns. Fiscal rules and medium-term expenditure frameworks that are implemented under the proper governance structures are important for reducing procyclicality of government spending. Properly executed expenditure frameworks contribute to improving policy coherence and limiting macroeconomic trade-offs; macroprudential tools limit exposure to external volatility. In addition, social safety nets and other programmes that operate countercyclically should be established during times of robust growth so that they can act as automatic stabilizers in times of crisis. The combination of these policies allowed many countries to enact countercyclical fiscal policies to weather the global financial crisis. Thus, while policy space was more constrained during the crisis, the effects on the population and for the achievement of the MDGs were not as drastic as they could have been. Adapting

policies to changing economic conditions will be a necessary condition for implementation of the new agenda.

Chapter II also warns that the initial economic conditions for implementation of the 2030 Agenda for Sustainable Development are less encouraging if compared with those of the period 2000-2015. Moreover, at the same time that policy space is more constrained, many developing countries did not make the most of the economic prosperity of the period 2000-2008; instead, many countries built important spending gaps for achieving the MDGs that are visible today. Against this backdrop, the chapter argues that addressing the unfinished business of the MDGs going forward and further implementing the more challenging development agenda after 2015 will necessitate more robust economic growth to boost private and public spending in key social sectors. Policy coherence will be needed to allocate the resources in the most efficient way possible under a more constrained economic environment. The chapter concludes with recommended economic policy pathways that are necessary going forward.

Chapters III and IV continue the overview of policies with a focus on social policies that proved critical in the efforts to overcome the human development challenges encompassed by the MDGs. This *Survey* recognizes that economic and social policies in most respects are indivisible aspects of broader development policy. In fact, numerous examples of both social policies that are essential to achieving economic growth and economic policies that bring about opportunities for social progress are provided.

Chapter III focuses on the social policy efforts that have proven effective in making headway towards reducing poverty and hunger (MDG 1); achieving universal primary education (MDG 2); and promoting gender equality and empowering women (MDG 3). The chapter's messages with regard to these three MDG areas are as follows:

*First*, non-contributory social protection programmes have contributed to reducing extreme poverty and making progress towards the achievement of other MDGs, and have helped to mitigate the impact of economic crises on the MDGs. The problem is that these programmes have typically been prioritized out of necessity and they have not systematically incorporated beneficiaries into the labour market or the economy at large. Social insurance and other (including new) contributory forms of social protection are expected to take hold in the transition towards universal social protection systems after 2015. The chapter argues that because the transition to universal social protection will take time to unfold, non-contributory social protection programmes will continue to play a critical role in the short to medium term. Hence, a number of implementation issues and shortcomings discussed in the chapter will have to be addressed.

*Second*, a number of the efforts geared towards achieving universal primary education will continue to bear fruit in some developing countries. Proven interventions reviewed in the chapter continue to hold potential for countries that are still striving to meet the goal. The discussion points to the need to improve and expand monitoring systems for both students and teachers to ensure that all students, particularly those that are not in school or those that have never attended, are covered. But, as a number of countries are close to reaching or have reached the goal of universal enrolment, other issues, such as primary school completion and quality of education, are becoming more important and will require more attention in the post-2015 period. Finally, the chapter presents some recommendations for better integration of education systems and the labour market, which will be important for achieving a number of development goals going forward.

**A variety of social policies have also proven effective in achieving the MDGs, many of which will continue to be important for the SDGs**

*Third*, while many regions have seen improvements in gender equality in a variety of areas, there are still a number of areas that are lagging behind. Further efforts will be needed to enforce existing laws, and reforms of existing discriminatory laws will be necessary, including some customary practices in some countries. Gaps remain in gender equality in education, but programmes geared towards girls, close proximity of schools and properly trained teachers have proven effective in raising gender parity. Elimination of laws restricting women's access to the labour market as well as employment and recruitment programmes for women have been a relevant step in some countries and have resulted in significant increases in labour force participation. Finally, the chapter also presents evidence that quotas for women and women's wings of political parties have helped to raise women's political representation, although it still remains well below that of men in a majority of countries. This is important for women's rights in general as greater levels of political participation by women leads to increased likelihood of addressing women's issues.

**Health systems are a particularly important factor in achieving health-related goals**

Chapter IV reviews policies that have contributed to the health-related goals (MDGs 4 through 6) and further elaborates on aspects of health systems that are critical to achieving health-related goals. Areas of focus for future policy efforts are threefold: (i) neonatal deaths—a problem that was overlooked when the MDGs were adopted and requires effective integrated solutions for both mothers and newborns, including family planning; (ii) infectious diseases, such as pneumonia, diarrhoea and malaria which continue to cause most of the deaths in children under age five; (iii) nutrition, which continues to be an important concern with many under-five deaths still occurring in children already weakened by undernutrition, and pregnant women continuing to face serious constraints to improve their nutrient intake, especially in low-income countries. Recommendations for addressing issues of coherence and effectiveness of health policies to tackle these challenges going forward are identified. This includes the strengthening of health systems on which the implementation of policies relies. The chapter warns that, while supply-side needs of health systems will continue to be critical going forward, it will also be necessary to pay more attention to the quality of care and the positioning of health systems as core social institutions.

**Policies to achieve environmental targets should build on interconnections between environmental goals themselves and with human development goals**

Chapter V focuses on policies that supported progress with regard to the environmental targets (MDG 7), some of which were the only universal targets within the MDG agenda. The chapter reviews progress made in some environmental areas, but also notes that this has not been sustained, partly because monitoring and enforcement remain problematic and limited. In reviewing the different aspects of MDG 7 (namely, atmospheric issues, forests, terrestrial and marine areas, drinking water and sanitation, and slums), progress is noted but the emphasis of the chapter is on reviewing interventions that contributed to making that progress towards specific targets. A key message that emerges is that coherent policies should make use of the interconnections between various environmental goals themselves and between environmental and human development goals. This will require finding targets and indicators that capture these interlinkages in an integrated manner. Other more specific lessons pertaining to each of the key areas covered by MDG 7 are presented at the end of the chapter.

**Appropriate governance and institutions were a necessary factor in implementing policies that helped countries make progress towards achieving the MDGs**

The adaptation of the MDGs and the implementation of policies such as those reviewed in chapters II through V required adequate governance and institutions. Chapter VI notes the various factors of governance and institutions related to implementing policies necessary for achieving development goals. Leadership that is accountable and possesses a clear idea of development objectives is one factor. Policy coherence and coordination

are particularly important aspects of effective development policies when operating in a resource-constrained environment. Examples of increasing use of information and communications technologies (ICT) for adequate coordination and oversight are provided. Decentralization is shown to be an important way of properly providing basic services for differentiated segments of the population. Partnerships with non-governmental actors and the necessity of monitoring and evaluation for ensuring accountability and efficiency also feature among the key aspects of governance for development under review in this chapter. These aspects of governance, while not necessarily unique to the period of MDG implementation were all equally important to the subsequent achievement of MDG targets.



## Chapter II

# Economic conditions and policies during MDG implementation

### Summary

- Economic growth has generally been found to be supportive of progress towards achieving the Millennium Development Goals (MDGs). It increases individual incomes that are critical to satisfying basic needs and is a source of resource mobilization for Governments to invest in development.
- There have been two relatively distinct periods of economic growth. For the world as a whole, the period from 2000 to 2007/08 was a time of rising economic growth as well as increasing macroeconomic stability. The increased policy space of this period represented an opportunity for economic policies to enable progress towards achieving development goals.
- Fiscal balances and public debt improved in most developing countries. An important number of countries increased social public expenditure both in absolute terms as well as relative to total government expenditures, signalling that the economic bonanza made room for development policies. Even so, many countries' spending patterns resulted in important spending gaps for achieving the MDGs.
- The period 2008-2015 covers the global financial crisis, the subsequent "Great Recession" and, in some countries, the ensuing economic recovery. Policy space was more constrained and the effects of the crisis on the achievement of the MDGs were more or less drastic depending on the policy responses at the time.
- Some countries avoided drastic setbacks, owing to previous improvements in conditions. This came by way of increased foreign reserves, lower debt levels, already established social spending programmes, and other countercyclical measures. On the other hand, spending gaps to meet the MDGs became larger for many countries.
- The experience between 2000 and 2015 points to the general need to take advantage of periods of robust growth, pursue adequate policies for macroeconomic stability, improve the fundamental bases for weathering economic shocks, introduce the appropriate policies to reduce procyclicality in general, and devise and carefully assess alternative financing strategies to bridge public spending gaps without jeopardizing growth, macroeconomic stability and long-term development.

## Introduction

This chapter reviews the economic conditions and policies that have prevailed during the years since the Millennium Development Goals (MDGs) were adopted and numerous efforts were implemented to pursue them. The focus is mostly, although not exclusively, on developing countries towards whom most of the MDGs were targeted. The review is necessary because economic conditions and policies have been critical to economic growth, which, in turn, has been shown to be correlated with the achievement of the MDGs (see section on economic growth and MDGs). Moreover, understanding the way in which economic conditions increase or undermine the policy space available is critical, since these economic conditions are usually changing and are highly influenced by the global macroeconomic environment, especially in the case of small and open economies.

**There have been two periods since the MDGs were adopted: a growth and stability period and a crisis and recovery period...**

There have been two relatively distinct periods since the adoption of the MDGs. The first period covers the years between 2000 and 2007/08, which, for the world as a whole, was a time of rising economic growth as well as increasing macroeconomic stability (see section on the growth and stability period). The second period covers the global financial crisis that unfolded in 2008, the subsequent Great Recession and, in some countries, the ensuing economic recovery up to the present (see section on the crisis and recovery period). Because economic conditions during these two periods were quite different, the policy space available in each period for pursuing development goals, including the MDGs, was defined differently. The first period was a time of increased policy space that represented an opportunity for economic policies to become enablers for achieving development goals. During the second period, policy space was more constrained and the effects of the crisis on the achievement of the MDGs were more or less drastic depending on the policy responses at the time.

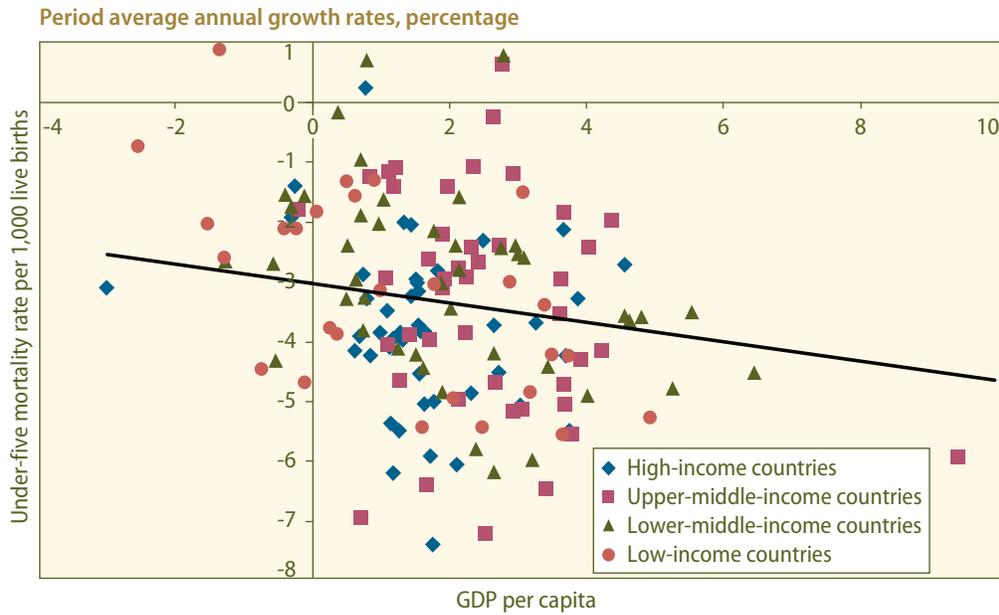
**...each of which resulted in very different policy space availability for MDG achievement**

Furthermore, it is important to note that the fiscal space created, especially during the first period, may not have been enough to achieve the MDGs in many developing countries that exhibited important public spending gaps. The discussion points to the importance of keeping in mind the potential macroeconomic trade-offs of any financing efforts to bridge such spending gaps within a coherent and comprehensive policy framework (see section on the challenges of bridging spending gaps). In the final section, the chapter recommends economic policy pathways for the future.

## Economic growth and MDGs

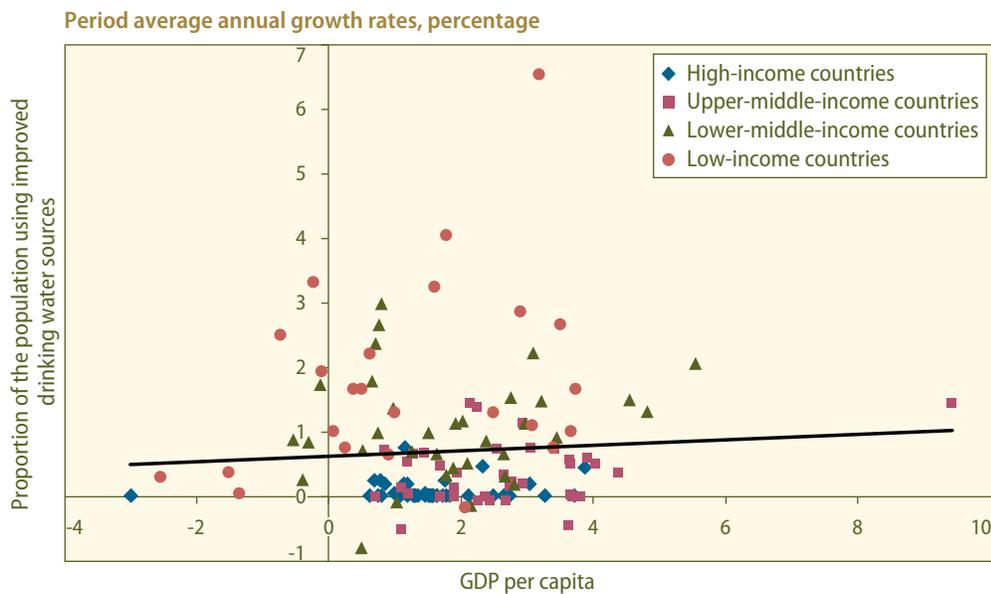
Sustained economic growth has been a critical enabler of policy space, albeit not the only one. In the 2011 Global Monitoring Report of the International Monetary Fund (IMF) and the World Bank, it is noted that, while countries that had higher per capita gross domestic product (GDP) in 1990 were more likely to have better performance in MDG indicators, an even better predictor is the rate of per capita GDP growth. “Countries that have reached or are on track to reach the targets show, on average, the fastest per capita GDP growth over 1990-2009” (World Bank, 2011a, p. 4). Economic growth is generally found to be supportive of progress towards achieving the MDGs. For example, as shown in figures II.1 and II.2, the increase in per capita GDP is associated with a decrease in child mortality and

Figure II.1  
**GDP per capita and under-five mortality by income group, 1991–2012**



Source: UN/DESA, based on World Bank, World Development Indicators Database for GDP per capita and United Nations MDG Database for the under-five mortality rate.

Figure II.2  
**GDP growth and improved drinking water by income group, 1991–2012**



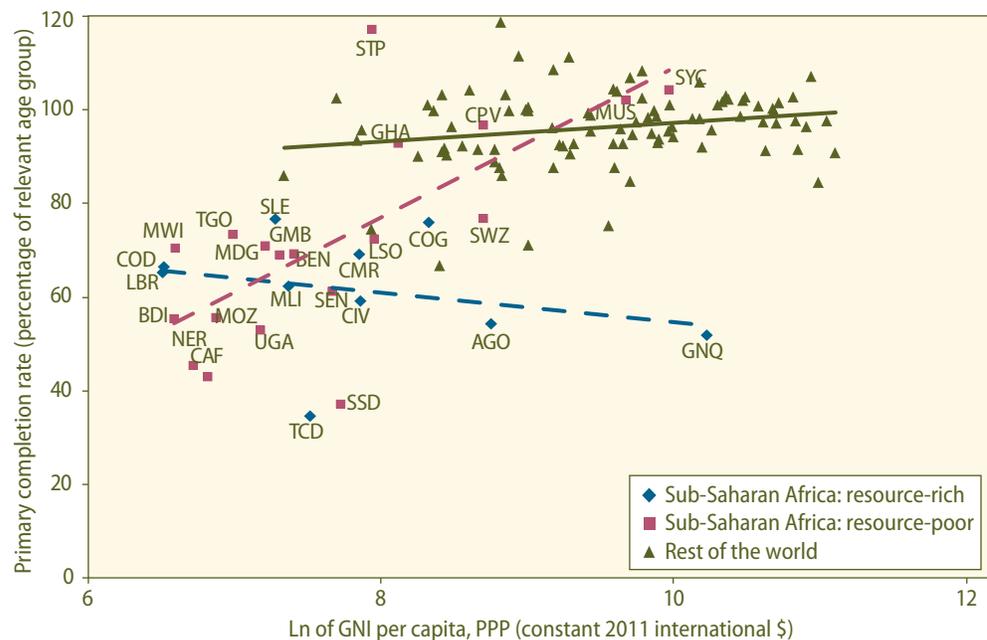
Source: UN/DESA, based on World Bank, World Development Indicators Database for GDP per capita and United Nations MDG Database for the proportion of the population using improved drinking water sources.

an increase in access to improved drinking water sources.<sup>1</sup>At the same time, it is important to recognize that growth in economic output is only part of the equation for improving development outcomes, and even then it can have very different effects and implications depending on specific conditions.

### Nature of growth matters

For some MDG targets, the connection with economic growth may not always be so clear-cut. For instance, as shown in figure II.3 (updated based on figure 3 in Christiaensen, Chuhan-Pole and Sanoh, 2013), when income increases, the completion rate for primary school education tends to rise in most countries—as per a fitted linear trend, particularly in the resource-poor countries of sub-Saharan Africa. However, a slightly negative correlation is found between the two indicators among the resource-rich countries of sub-Saharan Africa—as per a fitted linear trend. Moreover, although per capita GDP growth in resource-rich countries in Africa was measurably higher than in resource-poor countries in the past decade, poverty reduction in the former was actually lower than in the latter. For example, in the second half of the 2000s, Ethiopia and Rwanda registered an annual average growth of 8 per cent and 10 per cent, reducing poverty by 1.3 and 1.7 percentage points annually,

Figure II.3  
Income level and primary school completion rate, 2011



Source: Update of Figure 3 (p. 10) in Christiaensen, Chuhan-Pole and Sanoh (2013) using World Development Indicators.

<sup>1</sup> Some of the figures in this chapter cover the 1990s to capture long-term trends that are critical for establishing some of the correlations presented as well as for making comparisons between that decade and the period following the Millennium Declaration. The latter covers a period of greater stability, whereas the 1990s included, for example, the Mexican Tequila crisis in 1994, the Asian Financial Crisis in 1997-1998 and the Russian Crisis in 1998. In this period, many countries saw more clear effects of the policies that are important for growth and stability (some of which were implemented in the 1990s, or even earlier).

respectively. By contrast, with similarly robust growth of 6-7 per cent, the United Republic of Tanzania reduced poverty by less than 0.5 percentage points in the same period, while Zambia, a resource-rich country, made even less progress in reducing poverty. In general, resource-poor countries in Africa outperform resource-rich countries in achieving MDGs, despite the fact that GDP growth rates in the former are, on average, half of those in the latter.

One factor behind this divergence is the nature of growth in resource-rich African countries: it is less inclusive than in resource-poor countries, as the resources sector is capital-intensive, and therefore does not create enough jobs. These economies have failed to connect the resources sector with other sectors. In resource-rich countries, the increase in resource rent accounts for a larger share of GDP growth than value added does in other sectors, such as agriculture, services and manufacturing. However, the share of employment in the resources sector is significantly smaller than in other sectors (World Bank, 2014a).

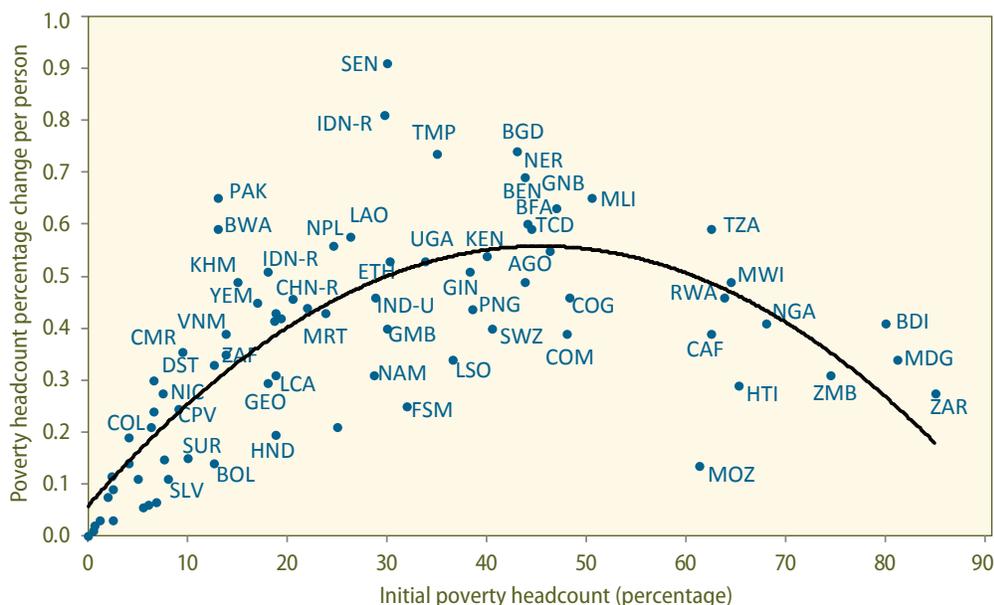
### Initial level of poverty and income distribution

The effects of GDP growth on poverty reduction also seem to vary considerably across countries and over time: the initial level of poverty and the income distribution are important factors behind such variability. As demonstrated in figure II.4, the poverty-reduction effect of growth seems to follow an inverted U-shaped curve with respect to the initial level of poverty across countries (World Bank, 2015a). The figure shows that the percentage change in headcount poverty (defined as income below \$1.25 per day) as a result of a 1 per cent increase in per capita income, or *growth elasticity of poverty*, varies across countries depending on the initial poverty rate. For example, a 1 per cent increase in per capita income reduces the poverty rate by 0.5 percentage points in Uganda (UGA), which has a poverty rate of about 35 per cent, but by only 0.3 percentage points in Zambia (ZMB), which has a poverty rate of 75 per cent.

**Growth effects on poverty reduction vary by location and period**

Figure II.4

#### Growth effect on poverty reduction across countries, 2010



Source: World Bank 2015b, Figure 1.1, p. 38.

The application of a *density function approach* reveals that changes in income inequality occurring as mean income grows are also important to keep in mind for understanding the effects of growth on poverty reduction (Hong, 2015). A correlation between higher levels of inequality and a lower response rate of poverty to growth has been observed for sub-Saharan Africa (Fosu, 2009). Views are divided, however, on the issue of whether growth and improvement in equality can go hand in hand or, on the contrary, follow different trajectories. The evidence supports both types of views. A study by Ostry, Berg and Tsangarides (2014), which applies statistical analyses using a sample of 150 countries for 40 years, finds that reducing income inequality could contribute positively to future growth. Utilizing the same data, Hong, Li and Peng (2014) show that reducing inequality could lead to higher growth in the countries with a Gini coefficient above 40 per cent.

In any case, economic growth supports relatively more progress towards achieving development goals when it is not only sustained but also fairly distributed. It increases individual incomes that are critical for satisfying basic needs in general, and for paying for education, health and sanitation, in particular. Increased individual incomes broaden the tax base as well, and, if private savings increase, they can potentially be a source of domestic resource mobilization for the government. The resulting tax and domestic-borrowing revenues can contribute to development if a share of them is allocated to invest in social sectors and public infrastructure, among others. This policy space will depend on the economic conditions, whether there is economic bonanza or turbulence, as further explained below.

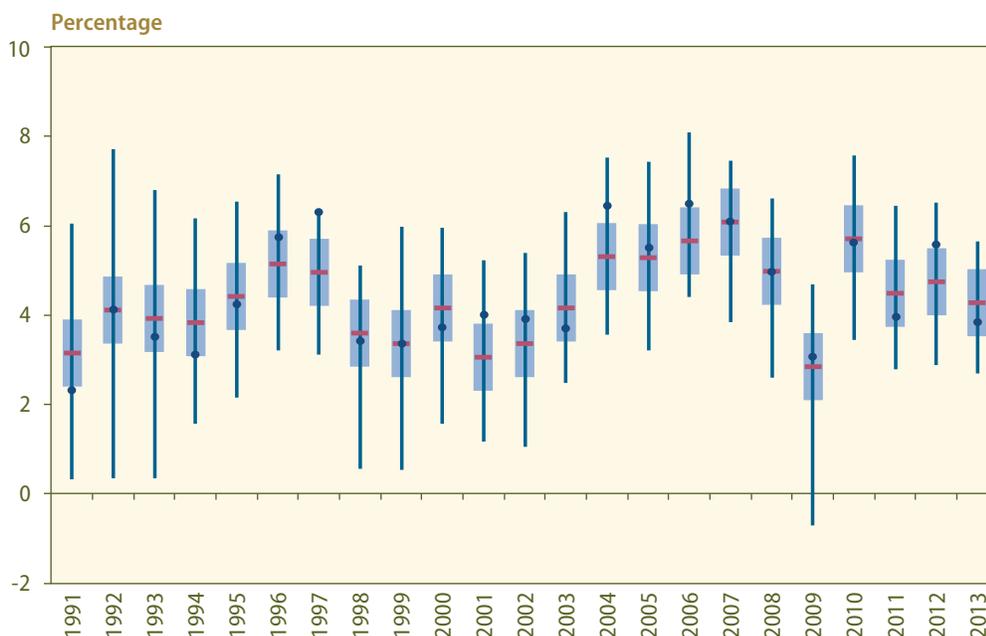
### Growth and stability period (2000–2007/08)

During the period from 2000 to 2007/08, many countries saw increasing stability along with increasing growth rates. While this was not true of all countries, it was, unsurprisingly, a common factor among those that were able to make more progress in achieving the MDGs. Economic growth in general has been supportive of progress towards achieving the MDGs, as noted. There were a number of reasons behind the improving global macroeconomic environment, including increases in investment, structural change in many economies, rising commodity prices, changes in policies, growth in international trade, rising foreign direct investment (FDI) and increases in the stocks of foreign reserves in many developing countries, among others. While this chapter focuses mostly on developing countries, owing to the fact that most of the MDGs are targeted towards those countries, from a macroeconomic perspective the conditions in developed countries were important as well. Relevant links between developed and developing countries through trade, FDI, remittances and official development assistance (ODA) were all significant with regard to economic growth in this period.

**In general,  
macroeconomic stability  
was improving between  
MDG adoption and the  
financial crisis**

Macroeconomic stability in most developing countries improved, as compared with the decade of the 1990s. For example, average GDP growth in developing countries was appreciably higher in this period than in the 1990s, while the variation of GDP growth across countries was notably lower (figure II.5). Even in 2001, when median growth was lower than in any year of the 1990s, one can see that the dispersion of growth was lower than in most years of the 1990s. In particular, the lower bound of the vertical bar for the year 2001 in figure II.5 is well above zero, in comparison to many years in the 1990s which were nearly zero at their lower level, meaning that while median growth may have been higher, a number of countries in those years were experiencing almost zero growth (see also

Figure II.5  
Distribution of GDP growth among developing countries, 1991–2013



Source: UN/DESA.

Note: Red bars represent the median growth rate and the blue dots represent the average growth rate. The vertical lines through those points represent the dispersion of growth rates across developing countries, with the blue boxes denoting the first and third quartiles.

figure II.7). Overall, according to data from the United Nations Department of Economic and Social Affairs (UN/DESA), average world gross product grew at a rate of 3.4 per cent per year between 2000 and 2008, but developing countries recorded average yearly growth of 6.0 per cent over that period.

During the period from 2000 to 2007, developed economies grew at a slower, but still steady pace of 2.5 per cent per year. Even so, economic growth in developed countries in absolute terms added trillions of dollars to the world economy, which contributed to growth in developing countries as well. This resulted in considerable rises in FDI and trade (see below) as well as rising ODA and a dramatic jump in remittances.

Domestic price stability of developing countries improved considerably since the 1990s. Inflation in most of these countries moderated significantly from the 1990s to the 2000s (figure II.6).<sup>2</sup> The inflation rate in a majority of developing countries has recently been below 5 per cent, with only a dozen developing countries witnessing inflation rates in double digits (United Nations, 2015c). Monetary policies were particularly important for price stability as further explained below. Meanwhile, the number of developing countries experiencing recession is also considerably lower during the period compared with the 1990s (figure II.7).

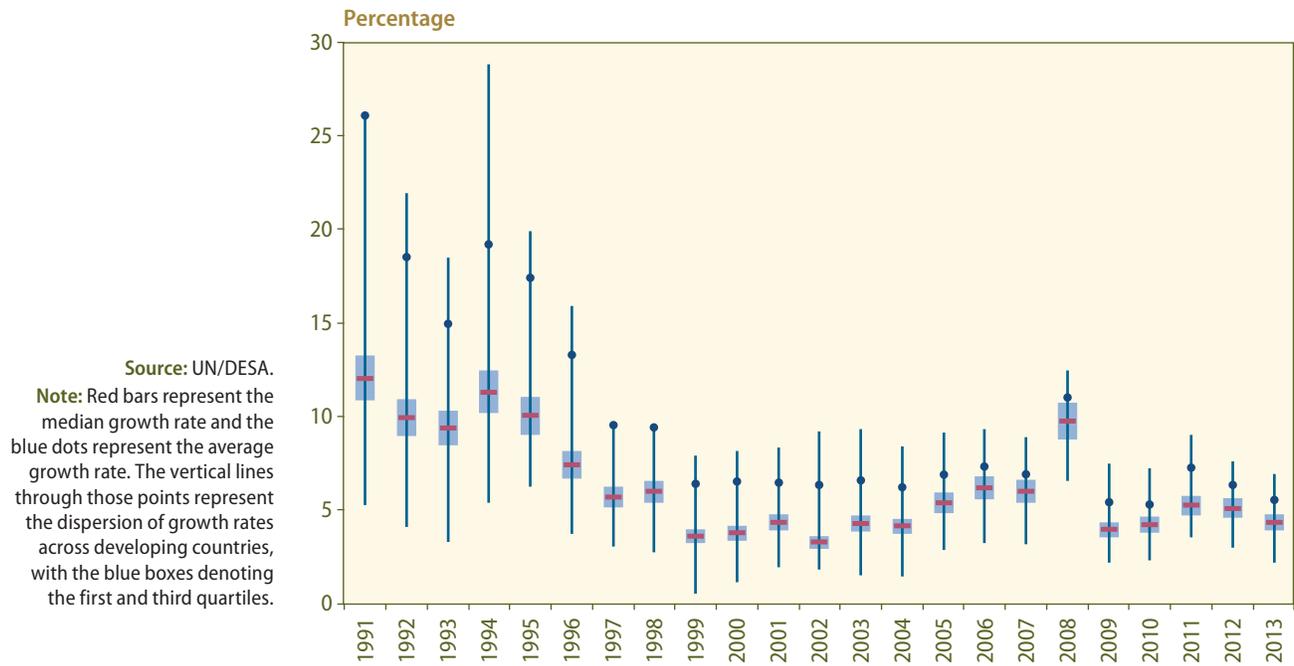
By other macroeconomic measures, both fiscal balances and public debt in most developing countries have also improved in the past decade. The ratio of external debt to GDP of developing countries as a whole declined by several percentage points (with the exception of the Middle East and North African and emerging and developing Europe regions), and Governments managed to reduce their public total debt considerably across

**Inflation trended downward...**

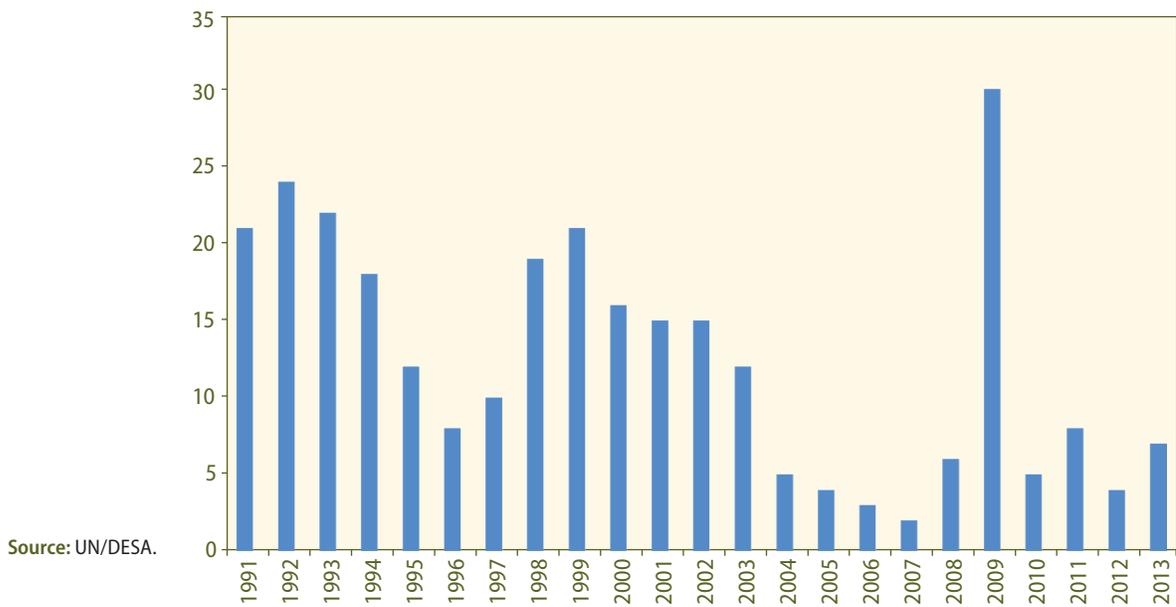
**...while fiscal balances and public debt improved**

<sup>2</sup> Domestic price stability followed a similar pattern in developed countries, but with much of the decline in inflation happening earlier, between the early 1980s and the early 1990s.

**Figure II.6**  
**Distribution of the inflation rate among developing countries, 1991–2013**



**Figure II.7**  
**Number of developing countries that experienced recession, 1991–2013**



all developing regions (table II.1). Some of the changes in debt resulted from international debt relief initiatives such as the Heavily Indebted Poor Countries (HIPC) Initiative and Multilateral Debt Relief Initiative (MDRI), which have reduced debt burdens for government budgets in least developed countries (LDCs) and other developing countries. At the same time, government revenue (as a percentage of GDP) also increased across developing countries partly because of the improved economic conditions as well as policy choices of Governments (see table II.1). It increased in developed countries, too, although to a lower extent. General government expenditure (as a percentage of GDP) decreased in

Table II.1

**External debt and government statistics for select regional groupings, 2002, 2007 and 2013 (Percentage of GDP)**

		2002	2007	2013
<b>Advanced economies</b>	General government gross debt	71.5	71.6	104.5
	General government revenue	34.3	36.7	36.4
	General government total expenditure	37.9	37.9	40.6
<b>Emerging market and developing economies</b>	External debt (public and private)	36.4	27.1	25.4
	General government gross debt	55.0	37.4	39.3
	General government revenue	23.5	27.8	29.2
	General government total expenditure	27.0	26.9	30.9
<b>Commonwealth of Independent States</b>	External debt (public and private)	45.6	39.9	39.7
	General government gross debt	38.4	9.3	16.6
	General government revenue	35.3	38.9	36.1
	General government total expenditure	35.1	34.0	36.9
<b>Emerging and developing Asia</b>	External debt (public and private)	25.5	17.2	16.0
	General government gross debt	51.6	43.8	42.8
	General government revenue	16.8	19.5	25.6
	General government total expenditure	21.1	20.6	27.7
<b>Emerging and developing Europe</b>	External debt (public and private)	50.1	54.5	66.3
	General government gross debt	55.3	39.2	46.4
	General government revenue	34.8	36.4	37.6
	General government total expenditure	43.2	38.6	40.1
<b>Latin America and the Caribbean</b>	External debt (public and private)	42.7	24.1	27.7
	General government gross debt	59.1	46.0	48.7
	General government revenue	24.0	28.3	30.0
	General government total expenditure	27.2	29.3	33.2
<b>Middle East and North Africa</b>	External debt (public and private)	31.3	33.4	26.3
	General government gross debt	61.2	28.7	25.5
	General government revenue	30.5	39.1	38.1
	General government total expenditure	31.1	28.2	34.0
<b>Sub-Saharan Africa</b>	External debt (public and private)	53.8	21.6	22.5
	General government gross debt	58.7	25.7	28.4
	General government revenue	21.8	24.2	20.9
	General government total expenditure	22.9	23.7	23.9

Source: International Monetary Fund World Economic Outlook database (April 2015 update). The data start in 2002 to maximize the available data points as many countries have missing data for the year 2000.

most developing regions, excluding Latin America and the Caribbean and sub-Saharan Africa.

Nonetheless, as will be shown below, an important number of countries, especially low-income and lower-middle-income countries increased public expenditure between 2000 and 2008. Furthermore, there has been a shift in government spending patterns as public social expenditure has increased both in absolute terms as well as relative to total government expenditures. These factors demonstrate the improving situation in the first period, which helped to provide critical policy space for countries to enact the policies that eventually enabled progress towards achieving development goals, including the MDGs.

### International drivers of growth

One of the drivers of economic growth during the first period has, no doubt, been international trade, which grew relatively rapidly, particularly compared to GDP. World imports went up by an average of 6.5 per cent per year between 2001 and 2007—nearly double world GDP growth. As with GDP, developing-country growth in international trade was even higher than the world average, with exports growing by 8.8 per cent per year between 2001–2007, according to data from UN/DESA. Over the same period, developed-country trade expanded by 4.8 per cent. There were clear contributions from this broad growth in trade to developing-country economic growth and hence to these countries' opportunities to create space for development policy.

**A number of factors led to higher growth, including trade expansion, rising commodity prices, growing FDI, reserve accumulation and increasing remittances**

There were a number of factors that contributed to high levels of trade growth in this period, including trade policy changes over the past few decades, particularly those before the new millennium, as well as an increased integration of developing countries into global supply chains. Decreases in tariffs and reductions in barriers to trade with the expansion of multilateral trade frameworks and regional and bilateral trade agreements led trade growth to accelerate considerably in the period between the mid-1980s and 2000. This process continued into the new millennium, but slowed, leading to still high but declining trade growth. In addition, greater fragmentation of production leading to increasing integration of developing countries into supply chains over the decades prior to the new millennium led to substantially higher trade volumes. This process remained strong in the period since the MDGs were adopted, but growth of trade integration appears to have slowed more recently.

There was a broad-based rise in almost all commodity prices over this period, with fuels, minerals and agricultural prices all reaching new highs. According to statistics from the United Nations Conference on Trade and Development (UNCTAD), between early 2000 and mid-2008, prices for all commodities in aggregate almost tripled. At a somewhat more disaggregated level, there are fairly drastic changes, with petroleum more than quadrupling whereas tropical beverages did not quite double. Importantly, for many developing countries, food prices almost tripled over this period. This “commodity supercycle” was, to a large extent, triggered by the industrialization of China.

Rising commodity prices during that commodity supercycle period had a mixed effect, with some commodity exporters seeing notable benefits, while others saw pressure on their exchange rates and current-account balances as a result of rising import prices. This depended to some degree on whether countries were net commodity importers or exporters and also on countries' particular mix of commodity exports and imports. Developing countries fall across the spectrum of net commodity exporters or importers, with much of South America as net exporters, much of East and South Asia as net importers, and both net

importers and exporters found across Africa.<sup>3</sup> Both groups of countries—net commodity exporters and importers—saw notable growth over the period, but with different internal dynamics. Unsurprisingly, commodity exporters drew greater shares of their government revenue from those exports. For example, between 2000 and 2008, resource revenues rose as a share of government revenue from 20.8 to 39.3 per cent in Malaysia, from 4.1 to 22.8 per cent in Chile and from 43.2 to 67.1 per cent in Sudan.<sup>4</sup>

FDI to developing countries also grew considerably over that period, rising by 150 per cent—from \$266 billion in 2000 to \$668 billion in 2008 (United Nations Conference on Trade and Development, 2015). The bulk of that FDI went to East and South-East Asia and to Latin America and the Caribbean. From a percentage standpoint, however, there were still considerable increases in FDI to Africa and South Asia between 2000 and 2008, by more than 500 and 1,000 per cent respectively. While a minor fraction of overall FDI, investment in LDCs also rose considerably, by more than 350 per cent.

There are also indications that countries accumulated reserves over this period. This occurred to the greatest degree in East Asia in dollar terms, driven by surging manufacturing exports. Thailand saw its official reserve assets and other foreign-currency assets rise by 189 per cent between April 2000 and January 2008. Other countries, including commodity exporters also saw dramatic rises in their reserves. For example, Brazil's official reserve assets and other foreign-currency assets rose by over 380 per cent between December 2000 and January 2008 (UN/DESA calculation based on IMF data). These increases in reserves allowed these countries to weather subsequent shocks occurring during the global financial crisis and beyond. Reserve accumulation permitted policymakers the space to ensure more stable exchange rates, thereby limiting spillover effects that may have slowed growth and rolled back hard-won progress in achieving development goals.

Over this period, remittances inflows to developing countries also increased considerably; indeed, they more than quadrupled, from almost \$74 billion in 2000 to \$328 billion in 2008, according to World Bank data. This was important for a number of reasons, as remittances contribute to consumption and investment in developing countries, thereby reducing consumption poverty and boosting economic growth. As remittances often come in the form of foreign currency, they can also have significant effects on the exchange rate and foreign-exchange reserves. In addition, evidence points to remittances as countercyclical, meaning that they can have an important smoothing effect in times of crisis (Frankel, Végh and Vuletin, 2011). Remittances have also been shown to have important impacts at both the micro and macrolevels of the economy. Households that receive remittances have shown better outcomes with regard to health and education. Remittances are also associated with higher domestic savings rates and improved financial intermediation (Ratha, 2013).

The impact of remittances on poverty is well documented. An integrated economy-wide and micromodelling analysis found that a reduction of remittance inflows by half in seven Latin American countries would bring about adverse macroeconomic effects and a direct impact on household income and consumption, resulting in an increase in extreme poverty in a range from 0.1 per cent (Costa Rica) to 8.3 per cent (Nicaragua) (Sánchez and Sauma, eds., 2011). As further shown in box II.2, a similar quantitative

**Remittances have had important impacts, not only on the economy but also on poverty—generally helping to reduce it**

<sup>3</sup> For more details, see, for example, *The Economist* (2014a).

<sup>4</sup> Data from the International Centre for Tax and Development (ICTD) Government Dataset, available from [www.ictd.ae/dataset](http://www.ictd.ae/dataset).

analysis shows that a reduction of remittances in Nicaragua not only affects extreme poverty but also other MDGs. This evidence suggests that, on the contrary, an increase in remittances favours poverty reduction and may also contribute to making headway towards the achievement of other MDGs. Another study examining the impact of an appreciation in the Philippine peso during the Asian financial crisis of 1997-1998 found that the relative increase in income from the higher valued remittances led to reductions in child labour and increases in enrolment in education, particularly for girls (Yang, 2006). Studies at the subnational level corroborate the impact of remittances on education, gender and health. For example, a case study covering remittances to Kerala in India found that remittances made up 31.2 per cent of the State's net domestic product, and that almost 40 per cent of households receiving remittances used that income for education (Rajan, 2014).

### Domestic policies

There were also a number of important domestic factors in laying the groundwork for the improvements in economic growth and macroeconomic stability that broadened the space for policies that have facilitated progress towards the achievement of development goals, including the MDGs. These cover a combination of monetary and fiscal policies, as well as more specific sectoral policies.

#### *Monetary policy*

**A variety of different monetary policies have been important for engendering stability**

Monetary policy instruments and targets for an economy should be defined in accordance with the stage of development of its banking and financial system and the specific economic circumstances. This means balancing out the need for maintaining low inflation while also minimizing exchange-rate volatility and ensuring that the economy has sufficient monetary resources for growth to proceed. This balance may differ depending on the level of development and the development priorities. In general, the stability engendered by these policies helps countries to enact long-term planning to implement development policies.

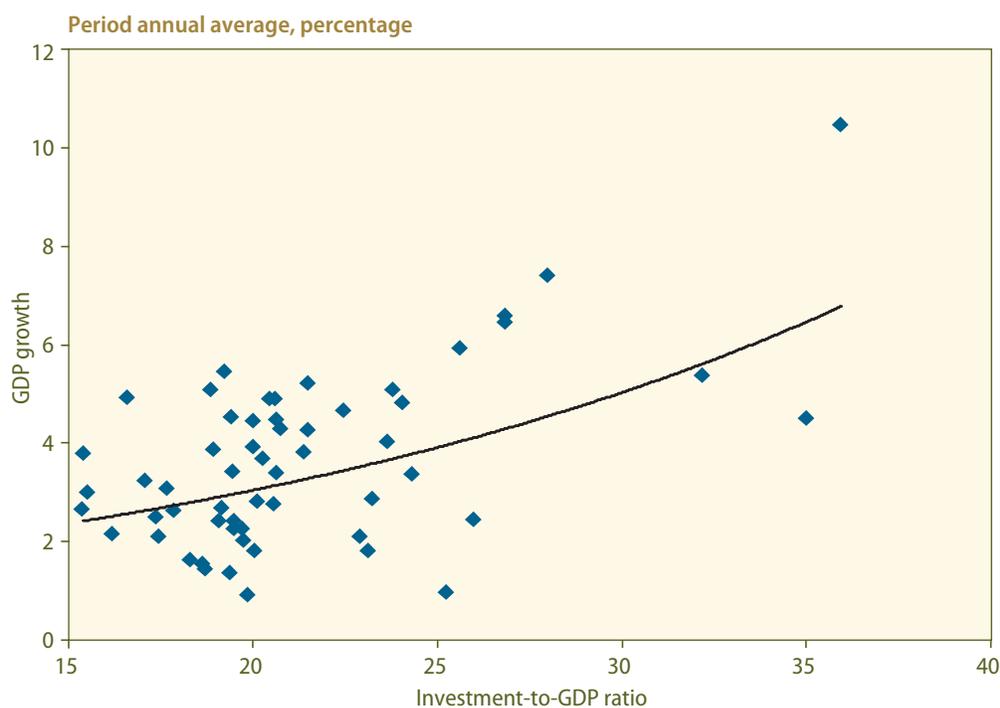
Maintaining relatively low and stable inflation has long been an important objective of monetary policy in all countries. In the past two decades, an increasing number of central banks have adopted a new monetary policy framework: targeting inflation. However, a large number of central banks also have mandates to set other targets for monetary policy, such as full employment or exchange-rate stability. Meanwhile, although short-term interest rates and open market operations have increasingly become the primary monetary policy instruments, a number of central banks in developing countries continue to rely on other instruments, such as reserve requirements, control of monetary aggregates and credit ceilings. These policies contributed to maintaining the relatively low and stable inflation rates shown in figure II.6.

#### *Investment and sectoral policies*

Policies related to investment have been another important factor in improving the growth rates of a number of countries over the past two decades. Sustained growth requires high rates of investment in productive capacities, including infrastructure, business structure, equipment and software, and research and development, as well as health and education or any other social investment that helps to build human capital. The economies with sustained

growth in the past decades often maintained an investment rate of 25 per cent of GDP, or higher (Commission on Growth and Development, 2008). For example, China maintained an investment rate above 35 per cent of GDP for three decades to achieve an average annual growth rate of 10 per cent.<sup>5</sup> In comparison, the average investment rate in sub-Saharan Africa has increased from 16 per cent to 23 per cent in the past decade (International Monetary Fund, 2013), leading to an increase in the region's growth rate to 5.3 per cent, second only to that of developing countries in East and South Asia, according to UN/DESA data. Among other developing regions, investment rates in most Latin American countries remain below 20 per cent. As shown in figure II.8, a number of economies that achieved an average growth rate above 6 per cent in the past two decades maintained an investment rate above 25 per cent, although a similar number of countries maintained an investment rate above 25 per cent but failed to achieve average growth above 6 per cent. This illustrates the complexity of the relation between growth and investment: a high level of investment is a necessary but not a sufficient condition for sustained growth. The types of investment matter, too, as countries with sustained high growth rates have also invested in important areas such as infrastructure, education and health.

Figure II.8  
Investment and GDP growth nexus, 1991–2010



5 There has recently been a debate about the high speed at which China has been investing. The effects of overinvestment on China (if that is in fact the case) are not expected to be harmful—albeit there is always some implicit cost—to the extent that investment is predominantly financed by domestic savings, which implicitly reduces the contribution of consumption in the economy. For more details, see Lee, Syed, and Xueyan (2012). These authors acknowledge that research is inconclusive as to the level and effect of Chinese investment.

**Sectoral policies, particularly for agriculture, have been an important factor in development**

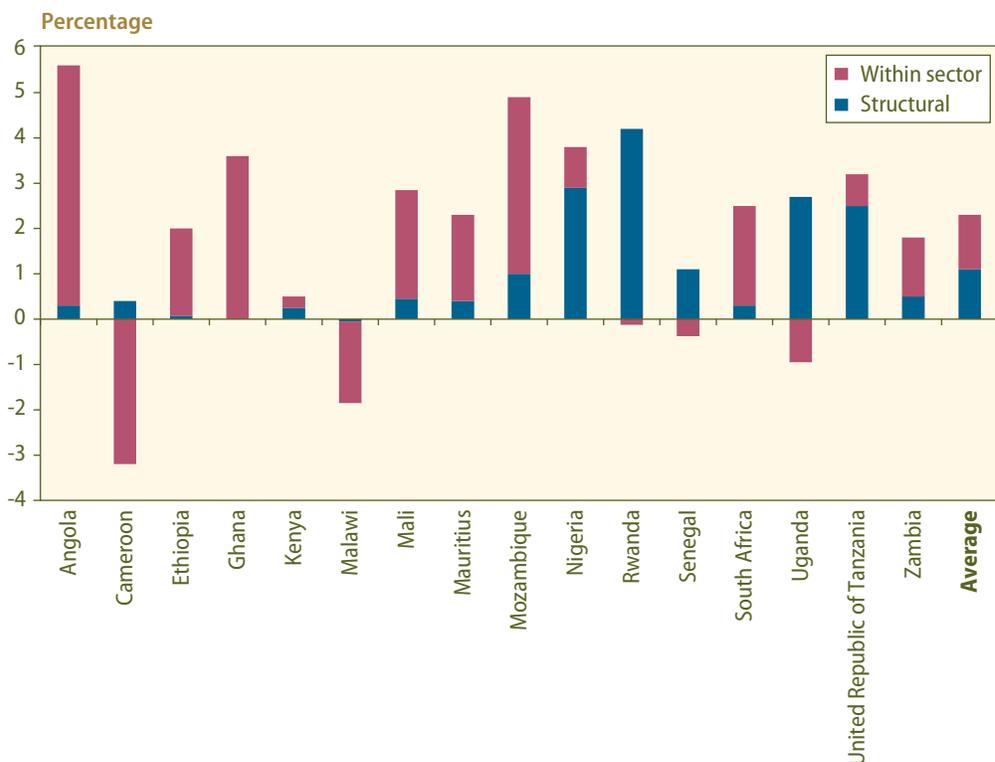
Sectoral policies, particularly related to increasing productivity and promoting the shift from agriculture to higher productivity sectors also continue to be an important aspect of improving growth prospects and reducing poverty in developing countries. For example, the remarkable achievement in poverty reduction in East Asia, including China, over the past decades, and more recently in South Asia, has been associated with policies promoting structural transformation, leading to the reallocation of millions of workers from the low-productivity agricultural sector to relatively higher-productivity manufacturing and services sectors. As a result of this transformation, a large number of farmers became factory workers and saw their productivity and earnings increase substantially (Dinh and others, 2012).

However, the agricultural sector continues to be important for both general economic growth and achievement of development goals—such as MDG 1—related to reduction of poverty and hunger. A study by Diao and others, eds. (2012) found that the poverty-reduction effect of agricultural growth was 53 per cent to 127 per cent larger than that of non-agricultural growth. By splitting the agricultural sector into subsectors, the study further shows that the poverty-reduction effect of productivity growth of smallholder staple crops is greater than that of export crops. A study by Hill and Tsehaye (2014) on the poverty-growth links found that agricultural growth was significantly related to the decline in poverty in Ethiopia; zones with the fastest increase in agricultural production saw the largest decline in poverty. By contrast, growth in manufacturing and services did not exert significant impact on poverty reduction. Rwanda's experience confirmed the same findings.

McMillan and Harttgen (2014) found that in a sample of 16 sub-Saharan African countries, labour reallocation across sectors accounted, on average, for about half of overall labour productivity growth during the 2000s (figure II.9), although there was substantial

Figure II.9

**Structural changes and labour productivity growth in sub-Saharan Africa during the 2000s**



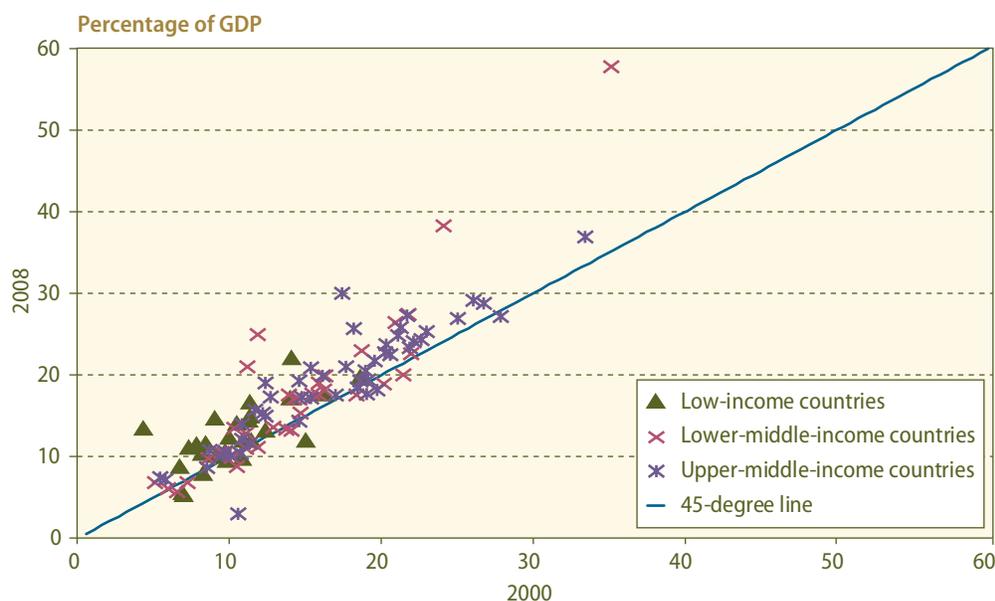
Source: McMillan and Harttgen (2014), presented in World Bank (2014a), figure 33, p. 35.

heterogeneity across countries. Another study by Christiaensen and Kaminski (2014) on Uganda found that 70 per cent of the decline in the poverty headcount during 2005-2009 resulted from an increase in agricultural incomes of people continuing to work in the agriculture sector. The other one third came from rural non-farm diversification. Fostering non-agricultural activities in rural areas appeared disproportionately important for growth, while fostering agricultural productivity appeared disproportionately crucial for poverty reduction. Structural transformation within the rural economy (including rural non-farm income diversification) benefited both poverty and growth.

### *Fiscal policy*

Improvements in growth and stability, along with changes in governance, taxation and expenditure regimes, were important to the process of enabling a better environment for development policies during the period from 2000 to 2007/08. Higher economic growth has manifested in part through increasing revenue-to-GDP ratios between the beginning of the new millennium and the period before the crisis. As is apparent from figure II.10, where most observations sit above the 45-degree line, most low- and middle-income countries recorded higher total government revenues in 2008 compared with 2000. In general, middle-income countries were better able to increase revenues than low-income countries over this period.

Figure II.10  
Total government revenue, 2000 and 2008



Source: UN/DESA, based on data from the International Centre for Tax and Development Government Revenue Database. Note: the group of low-income countries excludes Zimbabwe.

In a sample of 158 countries, a majority saw revenue increases during the 2000-2008 period and most of these increases came as a result of a rise in both tax and non-tax revenue (table II.2). Increases in tax revenue in developing countries have come as a result of a number of different factors, including a shift away from trade taxes (beginning in the 1980s) towards consumption taxes (McNabb and LeMay-Boucher, 2014) and corporate income taxes (International Monetary Fund, 2011). In addition, improvements in economic

**A majority of countries saw an increase in government revenue over the 2000-2008 period...**

growth over the period also contributed to greater revenues. On the other hand, grants were a factor to varying degrees in increasing non-tax revenue in some countries, but in others resource revenues provided much more of the increase in non-tax revenue. The countries seeing considerable increases in resource revenue where that revenue made up a sizable fraction of overall government revenue tend to be oil exporters and some mineral exporters. Importantly, it has been pointed out that Africa has been the region with the most rapidly growing revenue mobilization over the period 1990 to 2010 (Prichard, Cobham and Goodall, 2014).

Table II.2

**Sources of revenue changes between 2000 and 2008**

	Number of countries	in which increase was due to:		
		<i>Taxation</i>	<i>Non-tax sources</i>	<i>Both</i>
<b>Countries with revenue increases</b>	113	31	14	68
High-income: non-OECD	16	9	1	6
High-income: OECD	11	1	4	6
Upper-middle-income	39	12	3	24
Lower-middle-income	23	5	3	15
Lower-income	24	4	3	17
<b>Countries without revenue increases</b>	45			
High-income: non-OECD	5			
High-income: OECD	19			
Upper-middle-income	6			
Lower-middle-income	11			
Lower-income	4			

Source: UN/DESA, based on data from the International Centre for Tax and Development Government Revenue Database.

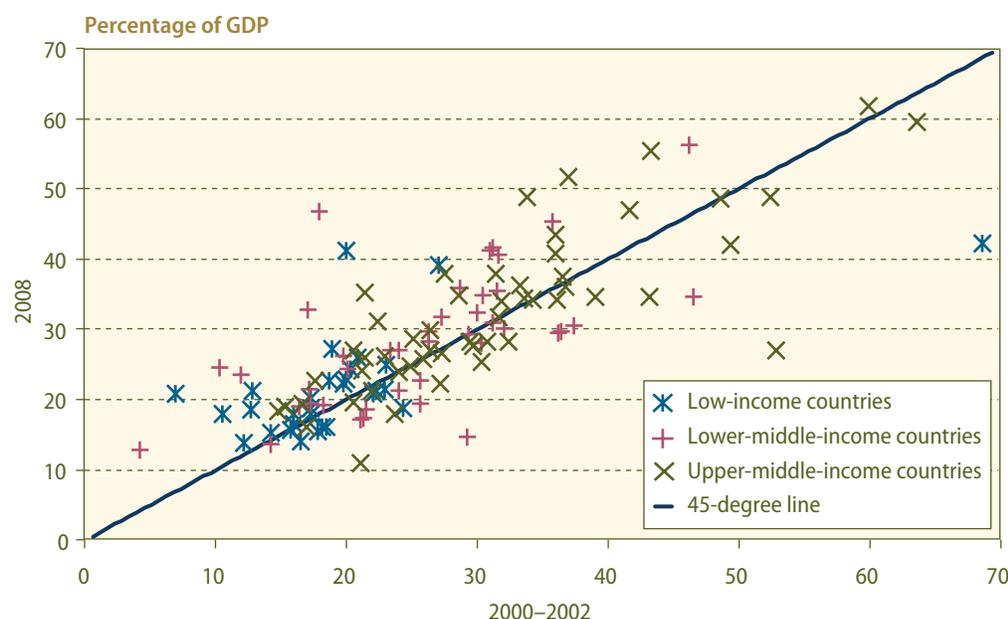
**...which allowed many countries to increase spending, particularly on social programmes**

The increased revenue allowed many Governments to step up spending, although this was more frequent among low- and lower-middle-income countries (figure II.11). There was a significant increase in public expenditure on social protection, education, and health in some countries across all developing regions (Government Spending Watch, 2013), partly in response to the MDGs. This trend was even maintained during and after the global financial crisis (figure II.12). In some developing countries, mainly in sub-Saharan Africa where low-income countries tend to be concentrated, the increase in social expenditure was substantially supported by external assistance. Interestingly, in some regions, such as Latin America and the Caribbean where the most significant cash transfer programmes originated and expanded, the increase was mostly driven by higher spending in social protection; this breaks with the pattern for most low-income countries where social protection spending is usually small.

**Social spending aided both in pursuing human development policies and in mitigating some of the effects of the financial crisis**

The increase in public expenditure on social protection, education and health in developing countries was clear evidence that the economic bonanza during 2000-2007/08 made room for development policies. Social protection spending made it possible to finance a number of non-contributory schemes that enabled the targeting of people living in extreme poverty. It was also anticipated that education and health spending would have

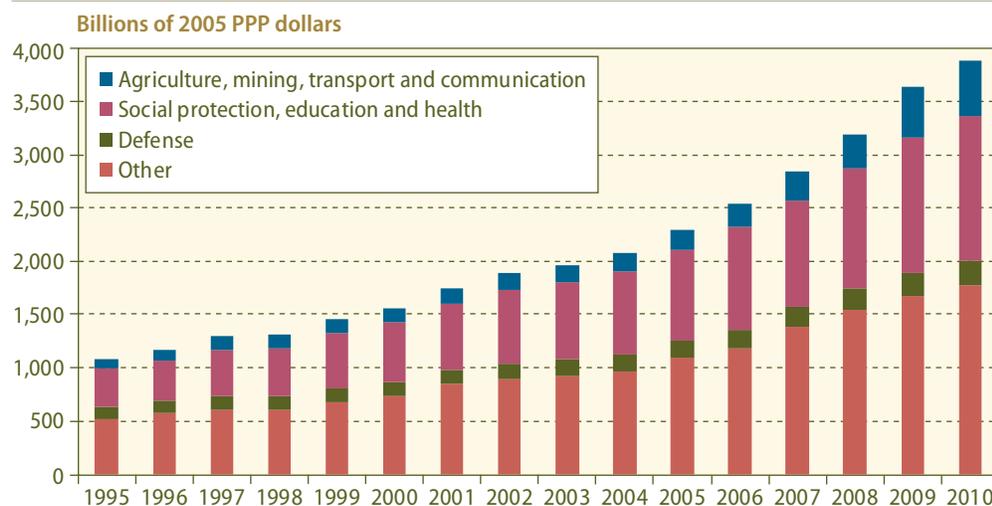
Figure II.11  
General government expenditure, 2000–2002 and 2008



Source: IMF World Economic Outlook database 2015.

Note: An annual average has been chosen for the first period to minimize yearly fluctuations and also to account for missing data for some years, excluding Kiribati as this was a notable outlier.

Figure II.12  
Public expenditure by sector in low- and middle-income countries, 1995–2010



Source: UN/DESA, based on data from IFPRI's Statistics of Public Expenditure for Economic Development (SPEED).

Note: The figure includes 33 countries for which social expenditures are available in the database for the whole period. "Other": other economic affairs (including labour affairs, fuel and energy, construction and others); environmental protection (including sanitation); general public services; public order and safety; housing and community amenities; and recreation, culture and religion.

a positive and significant impact on education and health capital (Baldacci and others, 2008). Later, social protection programmes became one of the most important components of countercyclical policy responses to the global financial crisis. Overall, higher levels of public social spending appear to have led to better MDG outcomes (see chaps. III and IV), whether such levels were motivated by the MDGs or not, and likely helped to offset the impact of the global financial crisis on such outcomes in some countries.

## Crisis and recovery period (2008–2015)

The second period (2008-2015), particularly the episode of turbulence marked by the global financial and economic crisis (2008-2009), brought about challenges that rolled back hard-won progress towards achieving MDGs in many developing countries. However, some countries were able to avoid more drastic declines—or any declines at all—in MDG progress owing to previous improvements in conditions. This came by way of increased foreign reserves, lower debt levels, already established social spending programmes, such as conditional cash transfers, and other countercyclical measures.

In addition, in the aftermath of the crisis, central banks adopted unconventional monetary policy instruments, such as large-scale quantitative easing to directly increase the monetary base, although these efforts mostly took place in developed countries. These efforts by developed countries' central banks have helped to forestall further deterioration in these economies and thereby minimize the spillover effects on developing countries. At the same time, there were other spillovers as capital flows to developing countries increased owing to the quantitative easing policies, with the ensuing risk of heightened volatility (United Nations, 2015c). In spite of all the measures, the repercussions of the crisis were damaging for economic growth in developing countries and tended to have adverse effects on their efforts to pursue development goals.

## Effects on economic growth and MDGs

**The global financial crisis lowered economic growth trajectories...**

Although the global financial crisis originated in major developed countries, the growth path of many developing countries was substantially altered. This can be illustrated through an extrapolation of pre-crisis economic growth, keeping in mind that that period's robust growth may not have been sustained in any case for a very long period of time in the absence of crises. Six years after the onset of the global crisis, total output of developing countries is far below the trend line prior to the crisis, with a cumulative gap (over the period 2008-2014) of GDP by \$1.7 trillion (6.5 per cent) (figures II.13 and II.14). The gap is about \$250 billion (12.7 per cent) for Africa and \$300 billion (12.5 per cent) for South Asia. The size of the gap for Africa is equivalent to the size of ODA flows Africa received in the same period.

**...and resulted in setbacks in MDG achievement...**

The economic downturn and the consequent increase in unemployment and vulnerable employment, compounded in some cases by retreats in social spending, caused important setbacks in the progress towards achieving the MDGs. Estimates presented in the 2010 issue of the *World Economic Situation and Prospects* pointed to the possibility of between 47 million and 84 million more people falling into or staying in extreme poverty because of the global crisis (United Nations, 2010). While significant, these setbacks were not large enough to change the likelihood of achieving the millennium target of halving global poverty rates by 2015 (from 1990 levels), which was met ahead of schedule. Although developing-country growth rates were lower than in the pre-crisis period, they continued to be higher than those in developed countries and a significant driver of more than 50 per cent of growth in world gross product (WGP), UN/DESA data suggest. Despite that, the crisis caused setbacks in the progress towards achieving the MDGs, especially in countries that could not sustain the growing pattern of public social expenditures of the pre-crisis

Figure II.13  
**GDP gap after the global financial crisis in developing countries, 2005–2014**

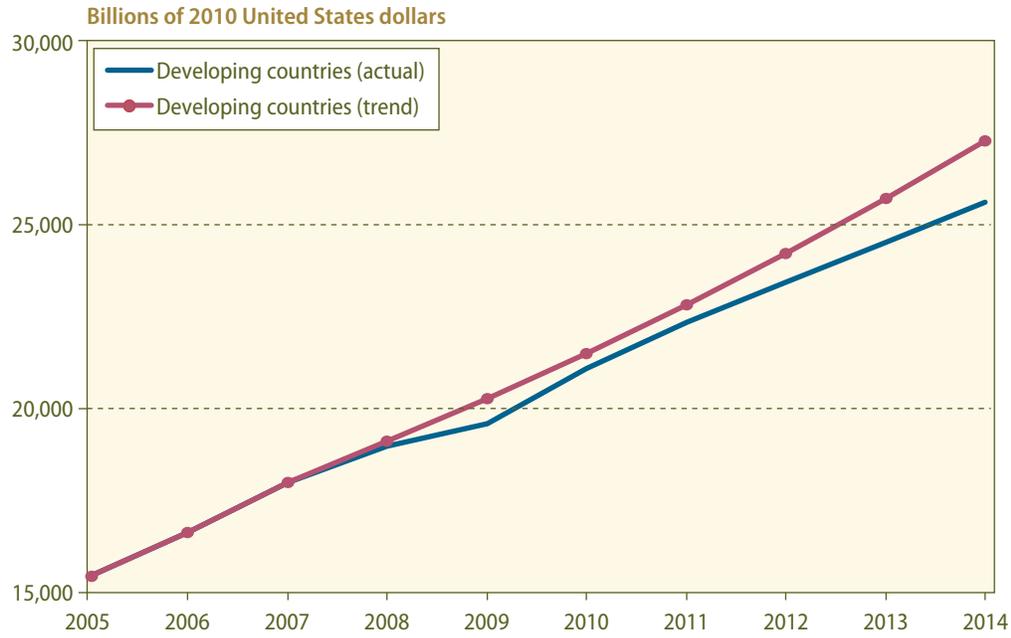
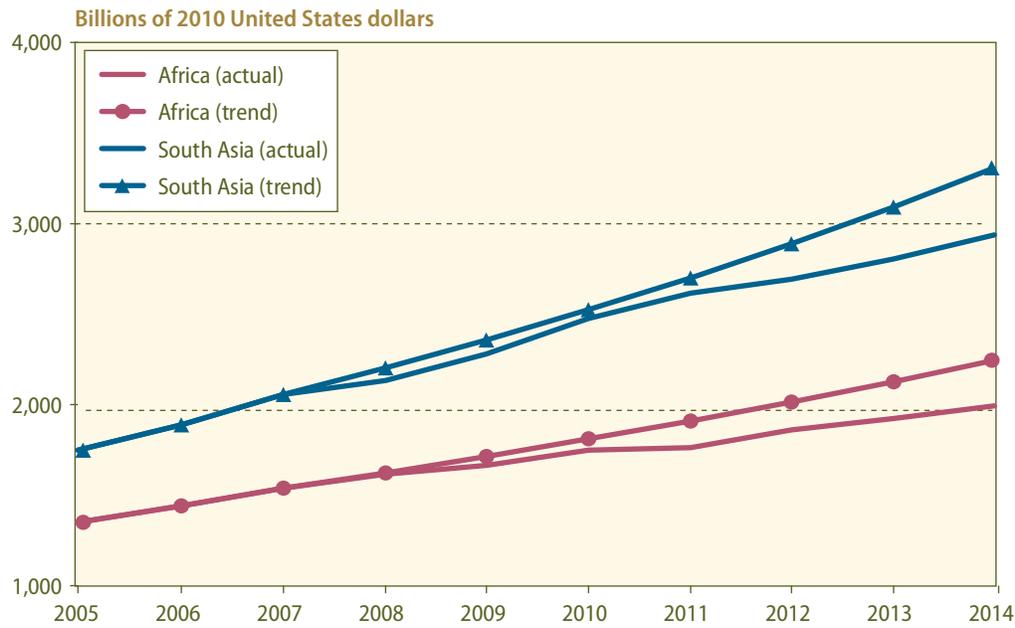


Figure II.14  
**GDP gap after the global financial crisis in Africa and South Asia, 2005–2014**



**...although many countries directed spending to mitigate some of the crisis effects on vulnerable populations**

period. As shown below, public social expenditures in education and health lost weight within the budget in some countries as a result of the crisis. This significantly increased the challenge of achieving targets for universal primary education, reducing child and maternal mortality and improving environmental and sanitary conditions.

Despite increasing fiscal constraints, nonetheless, many Governments in developing countries made laudable efforts during the crisis to protect the most vulnerable by directing a significant proportion of stimulus measures towards pro-poor and social protection programmes. Countries that managed to do so, such as Bolivia (Plurinational State of) and Ecuador, for example, were able to somewhat mitigate the impact of the crisis on education and health outcomes; nonetheless, they could not avoid certain setbacks. Accelerating progress towards achieving the MDGs became more challenging as a consequence, both in these cases and even more so in countries that did not manage to protect social spending during the crisis. The requirements for stepping up social spending to meet the MDGs posed significant macroeconomic and financial challenges even before the crisis, but they have become all the more pressing in cases where setbacks have been the greatest (box II.1). In Nicaragua, for instance, estimates of additional spending requirements for education, health, water and sanitation increased to about 9.5 per cent of GDP annually between 2010 and 2015 in order to meet the MDG targets, up from 8 per cent of GDP in a scenario absent the impact of the global financial crisis. In Ecuador, the additional requirements are significantly less, despite a stronger drop in GDP growth, as the Government managed to protect social spending more forcefully during the crisis.

The mood for fiscal tightening during the crisis and its aftermath took hold in many developing countries. The difficulties in most of these countries in sustaining (or increasing) expenditure patterns were caused mainly by substantial declines in tax revenue, especially in regions such as the Middle East and North Africa and sub-Saharan Africa (table II.1), even in the case of low-income countries which did not witness major declines in ODA. At the same time, many developing countries either had policies in place or enacted policies during and after the crisis that were more or less successful in mitigating the impact of the crisis and preventing potentially worse outcomes. It is important to draw lessons on these countries' experience.

### Fiscal and budgetary policies

Fiscal policies have been critical in inducing and supporting economic growth and maintaining it during periods of economic turmoil. While they are an important aspect of macroeconomic stability, fiscal policy also provides public goods and redistributes income. Within the context of macroeconomic stability, a key challenge for fiscal policy is to reduce its procyclicality and enhance its countercyclicality. For decades prior to the formulation of the MDGs, many developing countries tended to follow procyclical fiscal policy—that is, increasing government spending (or cutting taxes) during periods when the overall economy is in expansion, but cutting government spending (or raising taxes) during periods of recession (Kaminsky, Reinhart and Végh, 2005; Ilzetski and Végh, 2008). For example, Kaminsky, Reinhart and Végh (2005) documented that among 94 countries during the period of 1960-1999, more than 90 per cent of developing countries showed procyclical fiscal policy, while 80 per cent of developed countries showed countercyclical fiscal policy. However, since 2000, an increasing number of developing countries have shifted fiscal policy from procyclical to countercyclical (Frankel, Végh and Vuletin, 2011).

## Box II.1

**Impact of the crisis and the ensuing financial challenge in meeting the Millennium Development Goals**

Slower or negative per capita income growth as a result of the global financial crisis caused setbacks in the progress towards achieving the Millennium Development Goals (MDGs) in many developing countries. The exact magnitude of the setbacks depended on country conditions. In general, slower growth affects household incomes and job creation, which will have a direct impact on income poverty (MDG 1). Less income will also affect access to social services and hence progress towards achieving other MDGs. But that impact will further depend on the fiscal space countries have to protect spending on education, health and basic sanitation during a crisis. In cases where setbacks were unavoidable during the global financial crisis, it became more challenging for spending strategies and macroeconomic policies to accelerate progress towards meeting the MDGs.

In order to estimate the setbacks in achieving the MDGs that were caused by the global financial crisis—while taking into account the many interactions at work in such an estimation—an economy-wide modelling framework was applied to a number of developing countries.<sup>a</sup> As indicated in the body of this chapter, both the impact of the crisis on the MDGs and the resulting greater financial challenge of countries to meet the MDGs differ widely across countries. This is illustrated further by the six country cases discussed below.

Under a scenario of the observed impact of the crisis on output growth and government spending during 2008-2010 and a projected slow and gradual economic recovery towards 2015, it was estimated that Nicaragua suffered a setback of 2 percentage points in poverty reduction, whereas Bolivia (Plurinational State of), Ecuador and Kyrgyzstan experienced a setback of about 1 percentage point (table II.1.1). In the case of Uzbekistan, setbacks for all of the MDGs have been minimal as the country barely suffered any downturn and was thus able to sustain spending towards improvements in health, education, water and sanitation. In the other countries, differences in the impact on projected outcomes for primary school completion rates, child and maternal mortality and access to drinking water and sanitation by 2015 can be attributed in part to different responses to adjusting social spending during the crisis period. Bolivia (Plurinational State of) and Ecuador managed to protect spending better than Kyrgyzstan and the Philippines, where setbacks have been relatively larger. Based on announced social spending plans at the time, the impact in Nicaragua may also have been less severe (as shown in the table) than in a situation where social spending had been scaled down.

<sup>a</sup> The methodology involves, inter alia, a detailed microeconomic analysis of determinants of MDG achievement, which is used as an input to a dynamic economy-wide model called MAMS (MAquette for MDG Simulations). Results from MAMS with regard to factor income were imputed to household surveys to estimate income poverty outcomes, using a microsimulation model. For a description of the whole modelling framework, see Sánchez and others, eds. (2010, chaps. 1 and 3). The application of the modelling framework for each country was conducted by national researchers and government experts with technical support from UN/DESA and the World Bank.

Table II.1.1

**Impact of the crisis on projected MDG achievement by 2015, selected countries**

Percentage point increase in the gap towards the 2015 target, unless otherwise indicated						
	Bolivia (Plurinational State of)	Ecuador	Nicaragua	Kyrgyzstan	Philippines	Uzbekistan
MDG 1: Poverty incidence	0.8	0.8	2.2	1.3	0.0	n.a.
MDG 2: Completion rate of primary education	0.6	2.4	0.3	0.1	6.4	0.0
MDG 4: Child mortality (deaths per 1,000 live births)	1.7	1.3	1.3	3.2	1.4	0.1
MDG 5: Maternal mortality (deaths per 1,000 live births)	8.0	6.1	4.7	5.3	12.0	0.1
MDG 7a: Access to drinking water	0.9	2.1	0.5	0.0	1.8	0.1
MDG 7b: Access to basic sanitation	2.2	4.8	1.8	1.8	0.7	0.2

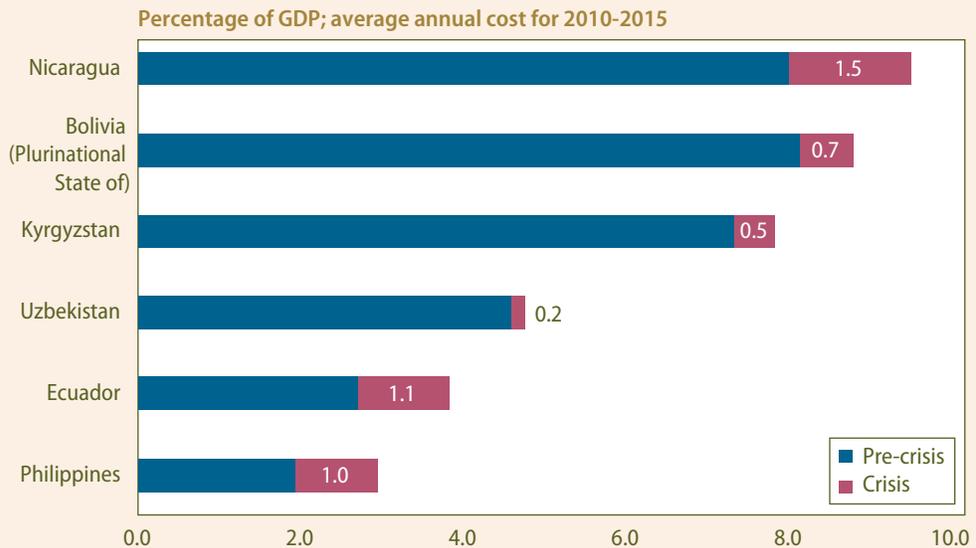
Source: UN/DESA, based on simulation results using MAMS and microsimulation models adapted to each country context.

## Box II.1 (continued)

In the face of these setbacks, it was estimated that the Governments of Ecuador, the Philippines and Nicaragua would have needed to spend an additional 1.0-1.5 per cent of GDP per year between 2010 and 2015, under the crisis scenario, in order to meet the MDG targets for education, health and basic services, compared with the pre-crisis scenario (figure II.1.1). In the cases of Bolivia (Plurinational State of) and Kyrgyzstan, the additional cost of achieving these MDGs is estimated to have been 0.7 per cent and 0.5 per cent of GDP, respectively; the extra cost would be negligible in the case of Uzbekistan. While these additional costs may seem manageable, they come on top of the already considerable estimated spending requirements to achieve the MDG targets prior to the crisis (given pre-existing shortfalls). As a result, the challenge for Nicaragua would have been to increase spending for education, health and basic services by 9.5 per cent of GDP during 2010-2015. The required efforts would be slightly less, but were still large in magnitude in Bolivia (Plurinational State of) and Kyrgyzstan, while in Ecuador, the Philippines and Uzbekistan, the estimated additional macroeconomic costs in these policy simulations would have been in the range of 3.0-4.5 per cent of GDP. Such impacts may have been even larger in many countries that are poorer than these countries. Clearly, additional costs of this magnitude may stretch government finances and could lead to steep increases in public debt or demand infeasible increases in domestic tax burdens.

Figure II.1.1

### Estimated additional public spending needed to achieve MDG targets for education, health and water and sanitation by 2015



Source: UN/DESA, based on simulation results using the MAMS model.

According to some studies (World Bank, 2015a; Frankel, Végh and Vulentin, 2013), three major factors may have contributed to the shift towards a more countercyclical spending policy. First, robust economic growth and rising prices of primary commodities (for some countries) boosted government revenue in many developing countries in the 2000s, particularly emerging economies. Second, international debt relief initiatives such as the HIPC Initiative and the MDRI have reduced debt in LDCs and other developing countries. Third, institutional reforms, including new budget institutions, have improved fiscal management. As a result, when the global financial crisis erupted in 2008, a number of developing countries were able to adopt sizeable countercyclical fiscal stimuli in 2009-2010 and managed to reduce the shocks, which could have otherwise led to even larger and longer negative impacts on growth and progress towards the achievement of development goals.

Developing countries have reduced fiscal procyclicality since 2000 by adopting a few important institutional measures, including fiscal rules, medium-term expenditure frameworks, and stabilization funds. A *fiscal rule* sets targets for government budgetary indicators, such as debt-to-GDP ratio, budget balance, expenditures, or revenues. Fiscal rules have been shown to help reduce procyclicality of government spending when implemented under the proper governance structures (Bergman and Hutchison, 2015). Since the late-1990s more than 30 developing countries have adopted fiscal rules, along with some 30 developed countries. It has been necessary to adjust some fiscal rules over time as they may lead to more, not less, procyclicality, particularly in debt-to-GDP ratios in times of crisis (Bova, Carcenac and Guergil, 2014). In view of this, more flexible fiscal rules with cyclically adjusted targets have become increasingly popular in developing as well as developed economies.

*Medium-term expenditure frameworks* (MTEFs) were first used in developed countries to manage long-term fiscal policy priorities, but an increasing number of developing countries have also started adopting this framework since the late 1990s. Currently, about 70 per cent of the countries in the world have adopted certain forms of MTEFs (World Bank, 2013a). The main objective of MTEFs is to establish and improve credibility in the budgetary process. Most MTEFs translate macroeconomic goals into budget aggregates and spending plans, but others could simply target aggregate fiscal goals. Empirical studies suggest MTEFs could improve fiscal discipline and spending efficiency, but the experience in this regard is not uniform across countries. For example, the experience of some African countries showed that realistic expectations of revenues are needed in formulating MTEFs; otherwise, even well-designed MTEFs cannot succeed (Holmes and Evans, 2003). A cross-country empirical study by the World Bank found a significant positive effect of MTEFs on fiscal discipline and that MTEFs increased the fiscal balance by at least 0.9 to 2.8 percentage points of GDP—with the most advanced MTEFs achieving even larger improvements in fiscal balances (World Bank, 2013a). In some countries, there is also evidence of the impact on debts. While MTEFs may have improved macroeconomic stability and limited the impacts from the financial crisis, their contribution to MDG achievement is somewhat more mixed. However, MTEFs can reduce the volatility of social expenditures relative to total expenditures, as has been shown in the context of health expenditures (see Vlaicu and others, 2014). Lower volatility of social expenditures could be important for better weathering the impacts of external shocks. An issue is that, in practice, MTEFs are difficult to fully implement in the context of developing countries (see section on planning within a budgeting framework).

**Fiscal policies in developing countries have been shifting from procyclical to countercyclical using a number of measures**

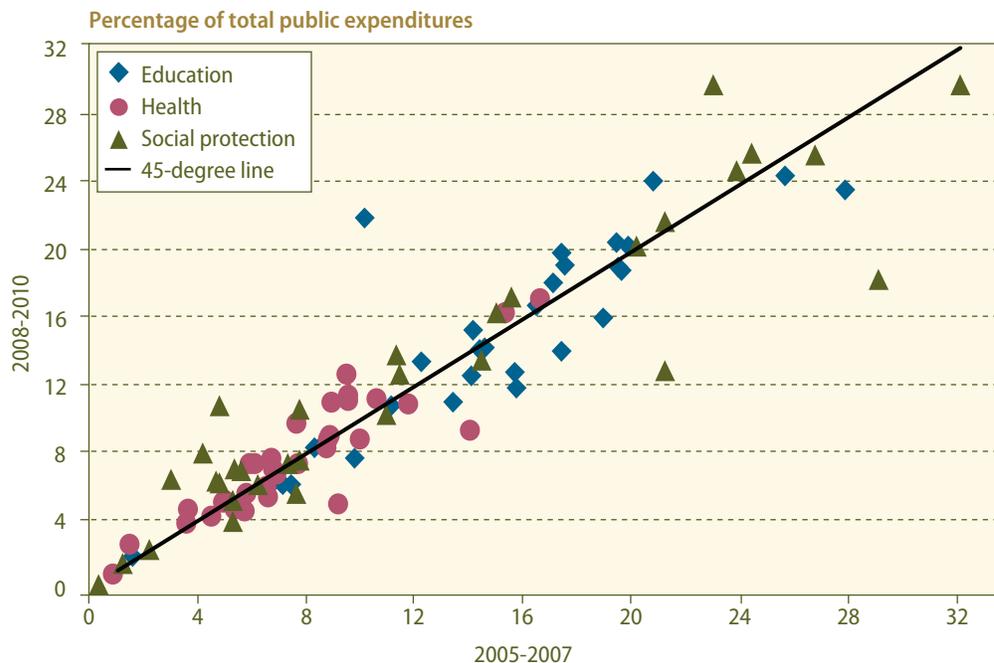
Despite the improvement regarding the cyclical nature of fiscal policy in many developing countries, the capacity for conducting countercyclical fiscal policy remains weak in LDCs and other low-income countries. For these countries, in addition to the strengthening of domestic budget institutions, the improvement in fiscal cyclicity will also depend on the improvement in the predictability of ODA flows they receive (see more discussion on ODA in chapter VII).

**Many countries have maintained the growing pattern of public social expenditure seen before the global financial crisis**

Fiscal policies directed towards social spending appear to also have been an important factor in mitigating the effect of the crisis on MDG progress. For example, a substantial number of countries announced stimulus measures during or following the crisis in order to offset falling growth. In a study of 182 developing countries, Ortiz, Chai and Cummins (2011, p. 10) found that, “on average about 24 per cent of the total announced stimulus amounts by developing countries was directed at social protection programmes”.

Figure II.12 shows that the steadily growing pattern of public social expenditure seen before the global financial crisis was not disrupted as a result of the crisis in 33 low- and middle-income countries (for which data were available). Additional patterns are revealed when the data on public social expenditure used in the figure are further disaggregated. For example, observations above the 45 degree line in figure II.15 represent cases of public social expenditures whose share of total public expenditure increased during the crisis (2008-2010), compared with a pre-crisis period (2005-2007). Not only does this figure corroborate that the majority of countries (20 of 33) increased public social expenditures during the crisis period, but, interestingly, most countries (21 of 33) increased their share of social protection spending in public expenditure. In many instances, this was at the cost of reducing the allocation of spending to education or health owing to fiscal constraints, but this seems to have mostly been the case in countries with relatively higher spending.

Figure II.15  
**Public social expenditure in low- and middle-income countries, 2005–2007 and 2008–2010**



Source: UN/DESA, based on data from IFPRI's Statistics of Public Expenditure for Economic Development (SPEED).

Note: The figure includes 33 countries for which social expenditures are available in the database for the whole period. Period averages chosen to minimize yearly fluctuations and also to account for missing data for some years for some countries.

Even so, the trend was that public social expenditures behaved countercyclically during the global financial crisis in many developing countries. These expenditures were eased in some countries by the accumulation of foreign-exchange reserves, especially because there was a more urgent need to direct a significant proportion of stimulus measures at pro-poor and social protection programmes. This permitted the amelioration of important potential impacts of the crisis on the progress towards achieving the MDGs—impacts with magnitudes perhaps similar to those estimated in box II.1.

### External shock mitigation policies

As developing countries increasingly integrate their economies into the global economy, they are facing various external vulnerabilities through trade and financial channels: surges and reversals in short-term capital flows, vicissitudes of international prices of primary commodities, business cycles in the external demand from major developed countries, among others. The global financial crisis and the attendant Great Recession have sharply demonstrated these and other external vulnerabilities of developing countries.

The effects of external shocks can be quite damaging, particularly in small and open economies, and they have implications for the achievement of development goals. As shown above, the global financial crisis brought about setbacks in the progress achieved towards meeting the MDGs. There are a number of transmission mechanisms from external shocks to economic growth, including investment, exports, and private and public consumption. Mitigation policies are necessary to offset external shocks; in their absence, there can be setbacks in the achievement of development goals (box II.2)

Stabilization funds have increasingly become a tool for mitigating the volatility in commodity prices, especially in countries where government revenues depend highly on exports of primary commodities. These funds are established using public revenues from natural resources, such as oil and natural gas, and can be used to stabilize the boom and bust cycles. Some 30 developing countries have such funds, and more than half of them were established since 2000. Many stabilization funds are integrated with government budgets with specified rules for their accumulation and withdrawal (Bagnall and Truman, 2013). Studies show these funds can smooth government expenditure and reduce volatility (Sugawara, 2014), but the effectiveness of these funds in shielding the domestic economy from the fluctuations in commodity prices will depend on government commitment to fiscal discipline and macroeconomic management, rather than just the existence of the funds themselves (Gill and others, 2014). Chile is an interesting example of a country that has combined fiscal rules with stabilization funds through its structural fiscal balance rule, initiated in May 2000 (Marcel, 2013). The rule incorporates general macroeconomic conditions and takes into account movements in copper prices, a major export and source of government revenue.<sup>6</sup> It has been cited as a major factor in the country's macroeconomic stability through both boom times and crises.

With respect to capital flows, in addition to the conventional monetary, fiscal and exchange-rate policies, a number of developing countries have introduced capital-account management measures to contain volatile short-term capital flows. Some countries, such as Croatia, Peru and the Republic of Korea, have used macroprudential measures to stem

**The global financial crisis and the Great Recession exposed developing countries' key external vulnerabilities and the resulting need for mitigation policies...**

**...such as stabilization funds to mitigate commodity price volatility, capital-account management policies, and accumulation of foreign reserves**

<sup>6</sup> Chile's mining sector contributions overall amounted to 27 per cent of government revenue between 2006 and 2010 (Korinek, 2013).

## Box II.2

**Impact of external shocks on poverty and human development goals: a simulation analysis**

Nicaragua is a small and open developing economy that has historically been affected by external fluctuations. The implications of adverse external fluctuations for human development in this country can be illustrated drawing upon findings from an economy-wide modelling analysis documented in Sánchez (2015).

The starting point is a scenario where economic and budget conditions of the 2006-2013 period remain unchanged until 2020. The exception with respect to past conditions in this scenario is that government foreign borrowing increases to finance the spending needed to meet, by 2020, country-specific targets for extreme poverty, net (on time) primary completion, child and maternal mortality, and access to drinking water and basic sanitation. In this scenario, gross domestic product (GDP) growth is on average little more than 4.5 per cent per year.

From this initial scenario, consider the simulated impact of the following external shocks on the Nicaraguan economy and the country's ability to meet said poverty reduction and human development targets by 2020:

**Simulation 1:** reduction of 20 per cent in the world price of coffee

**Simulation 2:** reduction of 20 per cent in the world price of textiles

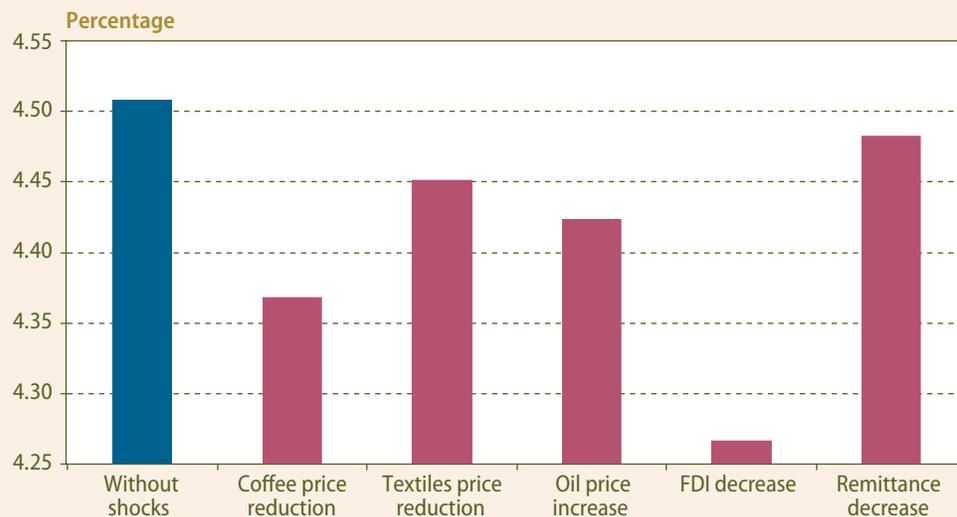
**Simulation 3:** increase of 20 per cent in the world price of refined oil

**Simulation 4:** reduction of 2 percentage points of GDP in inflows of foreign direct investment (FDI)

**Simulation 5:** reduction of 2 percentage points of GDP in inflows of remittances from abroad

Even though these shocks are fairly modest, they have the potential of impacting GDP growth in a significant way. For example, a reduction of 2 percentage points of GDP in inflows of FDI can depress private investment and exports to a point where GDP growth falls almost by a quarter of a percentage point (figure II.2.1). The impact on growth from small reductions in world prices of key export commodities such as coffee is also not negligible.

Figure II.2.1

**Nicaragua's GDP growth in a simulated scenario with and without external shocks, 2014–2020**

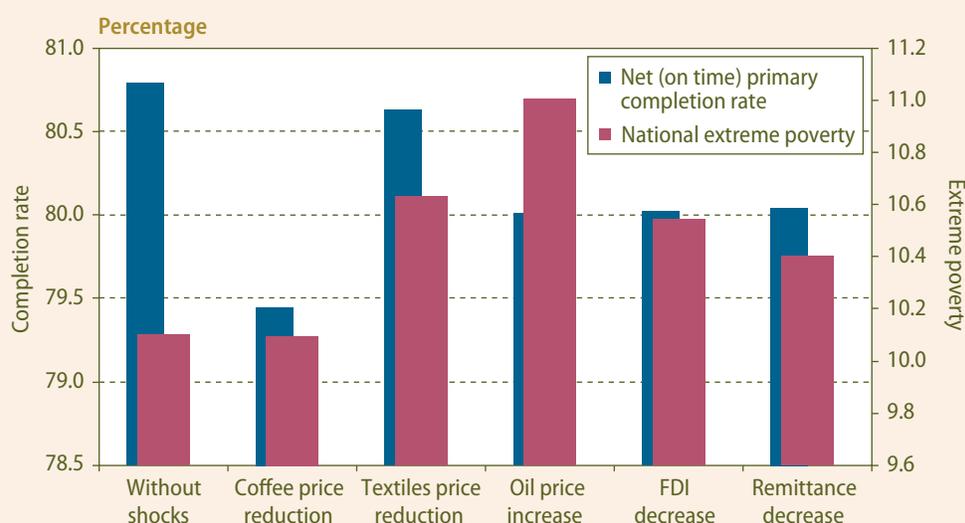
Source: Sánchez (2015, fig. 6).

The decline in growth has an additional impact on key determinants of human development goals such as public and private spending in social sectors and household consumption per capita. As a consequence, projected progress towards the human development targets is sluggish compared with the scenario without shocks. For example, the target for the net (on time) primary completion rate is not met under any of the simulated scenarios with external shocks, and extreme poverty increases, especially because of the oil price shock (figure II.2.2). In this last case, the reduction in consumption per capita is the mirror image of household labour incomes falling owing to the slower economic growth.

Box II.2 (continued)

Figure II.2.2

**Nicaragua's net (on time) primary completion rate and extreme poverty in a simulated scenario with and without external shocks, 2020**



Source: Sánchez (2015, fig. 7).

capital inflows and excessive credit growth. These policies include measures to maintain sound lending standards, countercyclical capital requirements to slow down credit expansion, and balance-sheet restrictions such as limiting the foreign-exchange positions of banks. While these measures appear to have lengthened the maturity and changed the composition of capital inflows, the effect on total net flows was limited. For example, in Peru, which has a considerably dollarized economy mediated through the banking system, macroprudential measures, such as limits on foreign-exchange mismatches, have been relatively effective at reducing risks. In the Republic of Korea, a package of macroprudential measures was introduced in 2009/10 and this appears to have brought about the intended deceleration in banks' foreign borrowing but did not stem the overall level of capital inflows.

Other countries, such as Brazil and Indonesia, have used more direct capital-account regulations. Most available studies find that capital-account management has been effective in changing the composition of inflows away from short-term debt in many cases, but the results varied from country to country (United Nations, 2015c, chap. III). More broadly, the effectiveness of measures depends on the specific circumstances of a country, including the quality of the existing regulatory framework and regulatory capacity, the structure and persistence of inflows, and the design and implementation of capital flow management

measures. Capital-account regulations may be particularly difficult to implement in countries where there is a large derivatives market, since speculators can often circumvent the restrictions through foreign-exchange futures, options and other derivatives. Thus some countries, such as Brazil, have implemented restrictions directly in the derivatives market, albeit at a low initial rate to test the market. Overall, there is no simple formula for effectively managing cross-border capital flows. Macroeconomic policies, macroprudential tools and capital-account regulations should be viewed as part of a package of measures that would vary in line with the specific circumstances of individual countries.

Developing countries are also challenged by the needs for both stability and flexibility in exchange rates. After the Asian financial crisis of the late 1990s, an increasing number of developing countries moved away from fixed exchange-rate regimes towards more flexible regimes. However, since the global financial crisis of 2008, there has been a notable tendency for more countries to shift away from flexible exchange-rate arrangements, reflecting the recurring pressure on the currencies of emerging market economies as a result of capital flow volatility (International Monetary Fund, 2014).

Another trend since the MDGs were adopted has been the accumulation of foreign-exchange reserves in developing countries, as noted above. Accumulation of foreign reserves has been undertaken in order for countries to be properly positioned to deal with shocks coming from open capital accounts and volatile international capital flows (United Nations, 2015c). For example, reserves can be used to mitigate trade shocks, if they are used to create stabilization funds, to refinance short-term external debt, or to deal with reversals of short-term capital flows and unwinding of carry trades. Evidence points to several of these types of factors motivating reserve accumulation over time, with different factors motivating different countries at different times (Ghosh, Ostry and Tsangarides, 2012). Foreign-exchange reserves continued to accumulate, even after the crisis, rising overall by about 10 times during 2000-2014, only reversing slightly since late 2014. This has strengthened the capacity of many developing countries to withstand external shocks; for example, commodity-exporting countries with stabilization funds have been found to have lower government expenditure volatility, as noted above (Sugawara, 2014). In the context of the crisis, Chile's Social and Economic Stabilization Fund was able to mitigate some of the effects through countercyclical spending (World Bank, 2010b). At the same time, this reserve accumulation comes with costs. The build-up of reserves for self-insurance purposes is also an indication of deficiency in the current international financial architecture. It exacerbates global imbalances and systemic risks and overall it represents a net transfer of financial resources from the developing to the developed world (United Nations, 2015c).

## Challenges of bridging spending gaps

**Although public social expenditure has risen, it still constitutes a small portion of the budget in some developing countries**

Going forward it will be necessary to scale up social spending and allocate it effectively. An obvious reason is the necessity to continue building the human capital that developing countries need for creating policy space via robust economic growth. Evidence points to the positive effects of social spending on economic growth. For example, using a data panel for 118 developing countries in 1971-2000, Baldacci and others (2008) projected that education and health spending would have a positive and significant impact on education and health capital, with important effects in supporting higher growth during the period in which the MDGs were going to be implemented. More recently, it has been estimated that past investments in education and health during the period in which the MDGs have

been implemented could lead to GDP growth gains in the range of 0.2-1.0 percentage points during the 2015-2030 period (Sánchez and Cicowiez, 2014). Social spending needs to be stepped up also because there are existing gaps, as a result of which many developing countries have failed to achieve the MDGs by the deadline.

### Macroeconomic trade-offs

Public social expenditure has risen, as noted above, but still only constitutes a small portion of the budget in some developing countries, especially in those with the greatest need. For many of the low- and middle-income countries for which data are presented in figure II.15, public social expenditures tend to be clustered near the origin of the graph. About half of the countries included in the figure do not allocate more than 30 per cent of their total public budget to spending on social protection, education and health. The gaps are greater for low-income countries. Within the developing world, Latin America and the Caribbean is the region with the largest ratio of public social expenditures to overall budget expenditures at nearly 50 per cent, which is not too distant from the share in high-income countries. By and large, in all countries—aside from those in Latin America and the Caribbean where it was already fairly important—social protection spending has been gaining importance within the budget. Spending on productive sectors appears to absorb the largest share, irrespective of the developing country's region (figure II.12).

In spite of the progress towards achieving the MDGs and the efforts to spend more in sectors that are essential to meet these goals, at the current rate of spending and progress, many MDGs, especially the health goals, are likely to be achieved globally only well beyond 2015. This probability exists despite policies in some countries to safeguard “priority” social spending in times of crisis. The challenges ahead are reflected in an insufficiency of government spending that is worth noting going forward, especially because important investments in school infrastructure, health systems, water and sanitation, and other areas will be required.

Regional and global targets for health spending are not being met by a number of countries (Government Spending Watch, 2013). According to studies for 27 developing countries, additional public spending requirements for meeting a number of MDG targets in education, health, water and sanitation are estimated to range from less than one per cent of GDP to a high of 10 per cent of GDP (box II.3). The studies warn that the financing of such magnitudes of additional public spending could impose a serious burden on countries' budgets, particularly in LDCs. The huge size of investment requirements for some of the countries will require a financing strategy that may result in macroeconomic hardships and, depending on the financing source, could also result in debt sustainability problems. For instance, if the additional spending were to be financed through foreign borrowing, significant real exchange-rate appreciation would have a negative impact on export and investment growth. Similar macroeconomic trade-offs would be induced if additional aid inflows covered the additional costs of achieving the MDGs—although with no debt accumulation. Alternatively, if the tax burden were increased or, if possible, the Government borrowed from domestic capital markets, then private consumption or investment spending (or both) could fall, thus lowering aggregate growth effects. These macroeconomic trade-offs are worth studying going forward.

The macroeconomic trade-offs of financing public spending to meet development goals need to be addressed in tandem with options to achieve the rapid and sustained economic

**Macroeconomic trade-offs resulting from the sources of financing for social spending are an important consideration for sustainability**

## Box II.3

**Spending gaps for meeting MDGs and macroeconomic trade-offs**

Achieving all the Millennium Development Goals (MDGs) by 2015 necessitated a significant increase in public spending, that was not achieved in many developing countries, particularly after the global financial crisis. This important increase in public spending will have to occur, either to address the unfinished business of the MDGs or to achieve similarly ambitious development goals. Should this be the case, it is important to keep in mind the potential macroeconomic trade-offs involved. This can be illustrated using an economy-wide modelling simulation analysis for 27 developing countries, which employs a scenario that assumes countries were able to scale up public spending to meet the MDGs by 2015.

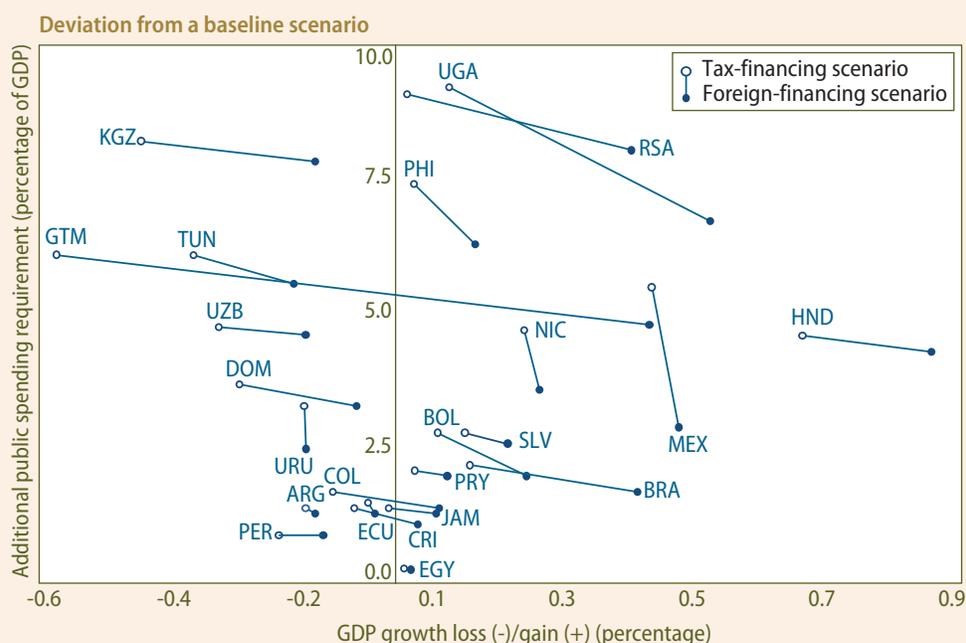
Consider a baseline scenario that projects, up to 2015, a continuation of the pace of economic growth and public spending priorities and budget financing policies seen in the period 2005-2010. Under this scenario there is substantial progress towards achieving the MDGs, but the majority of countries included in the analysis do not fully meet, by 2015, a set of targets for primary school completion, reduction of child and maternal mortality, and expanded coverage of drinking water and sanitation (figure II.3.1).

Because of the shortfalls, alternative scenarios are considered where countries scale up their public spending, using alternative financing sources in each scenario, in order to fully meet the targets by 2015. In ten cases, for example, the additional public spending required is about 5 to almost 10 percentage points of gross domestic product (GDP) per year, irrespective of the financing source, equivalent to 15 to 48 per cent of total public spending per year depending on the country. The vertical axis of the figure shows the additional public investment that would presumably have been required as a percentage of GDP (during 2010-2015) to meet the MDGs.

Different ways of financing such additional spending requirements have different implications for economic growth, which can be adverse in the short term, especially because the larger investments in education and health would not be expected to bear fruit so quickly, and therefore cannot immediately show positive overall impact on labour productivity (and growth). Financing the spending through domestic sources, such as direct taxation, tends to yield a *less* positive impact on GDP growth than does a strategy of using a foreign source of financing—assuming that the cost of external financing does not increase over time, otherwise it could introduce an element of instability. Figure II.3.1 shows that, for each country, the observation for foreign financing is to the right of direct taxation along the horizontal axis, implying a less negative impact on GDP growth. This simulation result is due to the fact that increased direct taxation depresses private disposable incomes and thereby aggregate domestic demand. The crowding out of private consumption and investment thus depresses GDP growth, which is reflected in a reduction of private demand for, as well as provisioning of, social services. This feedback effect requires Governments to invest even more to compensate for the loss of private spending in social sectors in order to ensure that MDG targets are met, thereby incurring more additional public spending. The figure shows that for each country the additional public spending in the scenario using foreign financing is *below* that of increased direct taxation (the vertical axis).

Yet there are trade-offs associated with foreign financing to be considered too. It is well known that an inflow of foreign currency may lead to real exchange-rate appreciation, harming the tradable sector. This will be the case particularly when the amounts are spent on non-tradable social services, as would be required to meet development goals. The appreciation of the real exchange rate may lead to resource allocation away from dynamic export industries that will negatively affect GDP growth in the absence of an adequate policy response. The figure shows that GDP growth in the scenario of foreign financing would be lower than in the baseline for a number of countries.

Figure II.3.1  
Public spending and GDP growth under two alternative MDG financing scenarios, 2010–2015



Box II.3 (continued)

Source: UN/DESA, based on 27 country analyses conducted by national researchers and government experts with technical support from UN/DESA and the World Bank, documented in Sánchez and Vos, eds., 2013; Sánchez and others, eds., 2010.

Note: Under the MDG financing scenarios, public spending rises until defining a path towards meeting a set of five targets by 2015. Additional public spending requirement and GDP growth loss/gain refer to the difference between the estimate of, respectively, public spending and GDP growth under each of the MDG financing scenarios and the estimate for the same variables under a baseline scenario.

Another challenge is whether countries can effectively realize access to alternative sources of finance and whether it is economically feasible to use it. First of all, domestic financing through taxation may not be an easy option, because existing tax burdens on those parts of the economy which are in the tax net are already considered high in many developing countries. Second, the foreign financing route is also becoming problematic. On the one hand, if this financing comes in the form of loans, then it increases the debt burden. In addition, the countries may expose themselves to currency mismatches or the effects of devaluation when borrowing in a different currency, which could exacerbate debt burdens. On the other hand, a slow recovery after the global financial crisis in developed countries is making prospects of aid and concessional financing for developing countries increasingly limited and uncertain. A feasible financing strategy would likely involve a combination of sources.

growth that is required to create fiscal space and maintain solid development standards. This is necessary because better education and health outcomes are unlikely to have a positive impact on overall labour productivity (and growth) in the short run. This process takes time, as children need to go through more than one educational cycle before they become economically active. Similarly, improved child and maternal health care today can lead to healthier students and workers only after several years have passed. Hence, financing strategies for development goals may also pose important inter-temporal macroeconomic trade-offs. Moreover, some economies may not be equipped to absorb the increased stock of better-educated workers resulting from investment in education, which is also important to keep in mind going forward. In fact, there have been mismatches between education and the labour market in many developing countries, which, due to insufficient creation

of skilled jobs, have resulted in youth unemployment and underemployment. Addressing such mismatches requires changes that will have to come from within the education sector (see chap. III). At the same time, broader economic policies that strengthen productive and decent employment and productivity growth will be necessary.

### Planning within a budgeting framework

**Integrated planning and budgeting frameworks are essential for achieving policy coherence**

The use of planning frameworks that are well integrated with budgeting frameworks is essential for reducing spending gaps that leave development objectives unattained, minimizing macroeconomic trade-offs of financing development, and, more broadly, achieving policy coherence. It was noted in chapter I that, while poverty reduction strategy papers (PRSPs) and National Development Strategies (NDSs) in some cases enabled the incorporation of the MDGs into national development planning, they did not necessarily guarantee a requisite fiscal envelope for the implementation of development goals. This would have required coherence and alignment between development priorities—for example, as laid out in PRSPs or NDSs, and a resource allocation or budgetary framework, as laid out in needs assessments or MTEFs. Coherence and alignment between these frameworks would in turn have required that most of the sectors identified in NDSs, PRSPs, and MTEFs had addressed the MDGs in some form or the other, not least by identifying policies and programmes that would drive progress towards the goals.

MTEFs predate the MDG process, but they received renewed attention in the context of the formulation of PRSPs in the early 2000s. At the same time, the adoption of the MDGs in the early 2000s, and the universal quest for larger fiscal envelopes to realize the goals and improve fiscal efficiency and effectiveness, acted as new impetus for countries to transition to MTEFs. The number of countries that adopted an MTEF increased from 11 in 1990 to 132 by the end of 2008 (World Bank, 2013a). It was argued that poverty reduction strategies required increased allocative and technical efficiencies in public expenditures. A Government may achieve these efficiencies by integrating policy objectives in the budgetary process, by establishing clear links between fiscal inputs and expected development outcomes, as well as through costing and multi-year financing (and possibly sequencing) of various fiscal outlays. MTEFs, when properly executed, could be an ideal tool for incorporating NDSs and PRSPs into a coherent, multi-year public expenditure framework.

However, a lack of coherence between national development planning processes and existing budgetary or resource allocation frameworks is perhaps one of the critical factors that have prevented a more adequate adaptation of MDG goals and targets to local conditions and priorities. Fukuda-Parr (2008) points to a number of PRSP countries where Governments, with the support of the United Nations Millennium Project, estimated the investment needed to meet MDG targets in education, health, and water and sanitation. Despite the existence of these cost estimates, none of the countries' PRSPs referred to them. These estimates were not fully incorporated into the countries' planning and budgeting for three main reasons: (i) resources could not be mobilized; (ii) the reliability of the estimates themselves was not exempt from criticism; and (iii) the potential macroeconomic impact on public expenditure ceilings and aid dependence raised concerns.

There are relatively successful stories, nonetheless. For example, to further facilitate mainstreaming the MDGs into its Tenth Five Year Plan, Bhutan aligned national budgetary outlays with resource requirements for meeting the MDGs. This was done

through a detailed costing exercise—as reported in the Bhutan Millennium Development Goals Needs Assessment and Costing (2006-2015) Report in 2006.<sup>7</sup> This exercise was based on the United Nations Millennium Project model. Another example is Nigeria, where Medium-Term Sector Strategies (MTSSs) were developed to guide the preparation and implementation of an MTEF. In 2006, this framework earmarked about 57 per cent of total capital expenditure for MDG-related sectors (Nigeria’s Millennium Development Goals Report for 2010).<sup>8</sup>

While there appear to be positive effects of resource allocation or budgetary frameworks on allocative efficiency, the effects on technical efficiency are more uncertain. Cross-country panel data estimation by Vlaicu and others (2014) show that MTEFs improve allocative efficiency, measured as the volatility of health expenditures to total expenditures, with reduced volatility in health expenditures and an increase in aggregate health expenditures. The effect is larger as the country goes from an MTEF to a Medium-Term Budget Framework (MTBF). However, their results on technical efficiency—how MTEFs affect programme level outputs and outcomes such as life expectancy or infant mortality—are, at best, mixed. It is therefore far from clear that adoption of MTEFs in a large number of developing countries directly contributed to making progress towards the achievement of MDGs. This is largely because it has been difficult for most developing countries to operate fiscal policy with full completion of all the stages involved in an MTEF—hence the MDG spending gaps pointed out earlier.

It has also been observed that MTEFs alone were not delivering improved public expenditure management in countries in which other key aspects of budget management—notably budget execution and reporting—remained weak (Le Houerou and Taliercio, 2002). Furthermore, if actual budget disbursement remained unpredictable—as it did in many developing countries—MTEFs merely became a conceptual framework and stakeholders lacked confidence in their medium-term projections. Moreover, MTEFs often failed to improve spending efficiencies without ensuring accountability of the budget actors—ministers, parliamentarians and public officials. It was also a challenge to ensure accountability as the bulk of aid financing remained outside the purview of MTEFs, making programme budgeting extremely difficult for countries dependent on foreign aid. Similarly, MTEF efforts to achieve transparency in the allocation of resources to specific activities often became futile in situations where overall sector policies remained unclear, inconsistent or unrealistic (Oxford Policy Management, 2000).

## Economic policy pathways going forward

The initial conditions at the onset of the 2030 Agenda for Sustainable Development implementation period will differ considerably from the conditions that unfolded early into the new millennium when the MDG agenda was adopted and began to be implemented. The period from 2000 to 2008 was characterized by broadly sustained economic growth and macroeconomic stability in both developed and developing countries, supported by the dynamism of emerging economies, rising commodity prices, increasing trade, FDI, ODA and remittances, and by generally positive world market conditions. As a consequence, policy space expanded based on improvements in government revenues, decreases in fiscal

**Economic conditions at the time of MDG adoption were amenable to implementing important policies that impacted MDG achievement...**

<sup>7</sup> For more details, see Bhutan, Planning Commission (2007).

<sup>8</sup> For more details, see Nigeria (2010).

balances, lower overall debt and generally improved macroeconomic fundamentals (with some exceptions in both developing and developed countries). These circumstances were important both for spending significantly more for pursuing policies geared towards achieving development goals, including the MDGs, and also for building the policy space that would subsequently be needed to deal with the global financial crisis and the ensuing recovery. Private spending in education, health and water and sanitation have benefited from this favourable context in many countries. The impact of remittances on extreme poverty and other MDGs stands out.

As a result of the improving conditions before the crisis, policies for expanding investment, smoothing shocks and dealing with downturns were also put in place; for example, many countries built up foreign-exchange reserves and a number then bundled some of these funds in sovereign wealth funds. Appropriate use of commodity based funds for supplementary spending also helped to mitigate some of the shocks. In addition, some countries established fiscal rules to help reduce procyclicality of government spending. Properly executed budgeting frameworks also helped to improve policy coherence and limit macroeconomic trade-offs in a handful of countries. Macroprudential tools have also proved useful in limiting exposure to external volatility. These have allowed many countries to enact countercyclical fiscal policies to weather the global financial crisis. For example, lower debt levels during the pre-crisis period allowed some countries to enact stimulus policies and temporarily run higher deficits to offset the effects of the crisis. This meant that, while policy space was more constrained during the crisis, the effects on the population and for the achievement of the MDGs were not as drastic as they potentially could have been.

**... while initial economic conditions prior to SDG implementation are considerably more challenging**

The initial conditions for implementation of the 2030 Agenda for Sustainable Development are considerably less promising when compared with those of the period 2000-2015, even if the effects of the global financial crisis are considered. The world economy today is characterized by a slow economic recovery precisely because of the crisis, which has limited fiscal space in many developed and developing countries as well as private spending. The economic recovery in developed economies continues to be relatively sluggish, and most developing countries are not expected to post the same dynamic growth rates they experienced before the crisis. Trade growth continues to be well below pre-crisis levels and there are limited prospects for improvement as trade integration appears to have slowed and new trade agreements are not expected to result in significant upticks in trade growth. Inward FDI to developing countries has continued to expand although at a less rapid pace than prior to the crisis (United Nations Conference on Trade and Development, 2015). Commodity prices are generally lower—with some, such as crude oil and iron ore, down considerably—and are not expected to return to previous peaks in the near future. Slowing growth in China has contributed to dampening growth prospects in other developing countries that export raw materials or intermediate goods to China. Overall investment is down across many countries, which is likely to continue to constrain growth in the future. At the same time that policy space is more constrained, many developing countries did not make the most of the economic bonanza of 2000 to 2008 and created critical spending gaps for achieving the MDGs that are visible today. Remittances experienced a slight drop after the crisis, but then steadily resumed their climb; however, it remains to be seen if the trend is sustainable, considering that a number of countries are expected to face slowing economic growth in 2015 (World Bank, 2015c).

Addressing the unfinished business of the MDGs going forward and further implementing the more challenging new aspects of the 2030 Agenda for Sustainable Development will necessitate more robust economic growth to boost private and public spending in key social sectors. In those cases where developing countries present important spending gaps, financing these gaps may result in macroeconomic hardships with unfavourable repercussions for economic growth. Policy coherence will be needed to allocate the resources in the most efficient way possible under a more constrained economic environment. General lessons from the period of MDG implementation include the following:

*First*, the experience of the 2000-2015 period points to the general need to ensure that Governments and policymakers take advantage of periods of robust growth. Not only are periods of robust growth necessary to produce progress towards the achievement of development goals but they are also critical to establishing the necessary conditions for dealing with external shocks and avoiding setbacks in development progress.

*Second*, in a broader sense, it will be necessary for countries to pursue adequate policies for macroeconomic stability compatible with long-term development, particularly during times of robust growth. As observed over the period since the MDGs were adopted, macroeconomic stability and investments for development will help to ensure both stable growth during prosperous times as well as more stable growth during downturns.

*Third*, countries need to continue improving the fundamental bases for weathering economic shocks. This includes ensuring adequate levels of foreign reserves and limiting external debt levels within manageable parameters. Furthermore, social safety net programmes and other countercyclical measures will need to be established and in place prior to shocks so that they can act as automatic stabilizers.

*Fourth*, in order to reduce procyclicality in general, countries will need to introduce the appropriate policies, including fiscal rules, medium-term expenditure frameworks, and stabilization funds. These will tend to function best when introduced during periods of higher growth so that they can lay the necessary groundwork and build up the requisite buffers to stabilize growth during downturns.

*Fifth*, pursuing development goals after 2015 will demand the investment of significant public resources, especially in the least developed countries. Financing strategies will have to be devised and carefully assessed to avoid undesirable impacts on private investments or real exchange-rate appreciation.

*Sixth*, developing countries will also have to work with a policy budgeting framework, with adequate linkages among policies, outcomes and outputs, to minimize the possibility of emerging spending gaps and leaving development goals unattained. This will be critical to guaranteeing policy coherence.

*Seventh*, economic growth will be required to make the financing associated with public spending more feasible. The challenge will not only be that growth be robust and stable in view of the financing gaps but, importantly, it should also be sustainable and inclusive. Economic policies will have to be pursued to strengthen productive and decent employment and productivity growth. These policies include infrastructure investments, credit policies and other support measures fostering investments in economic diversification towards technologies and activities that absorb larger amounts of skilled labour and reduce the vulnerability to external shocks.

*Eighth*, national economic policies will further need the support of an enabling external environment, especially in the form of a stronger recovery of export demand and a stable international financial system. This will require continued strengthening of international policy coordination.

## Chapter III

# Social protection, education and gender equality

### Summary

- The Millennium Development Goals (MDGs) reconfirmed countries' long-term commitments towards poverty reduction and human development. The MDGs provided the framework to scale up social spending and the implementation of their own national policies to strengthen long-term development efforts.
- Comprehensive programmes of social protection have contributed to reducing extreme poverty and making progress in other MDG areas, and have helped to mitigate the impact of crises on progress towards achievement of the MDGs. However, these programmes should build stronger interlinkages with strategies to promote incorporation of beneficiaries into the labour market and the economy at large.
- Social insurance and other contributory forms of social protection are expected to lead the way towards universal social protection systems after 2015. Because this transition will unfold as part of a long-term process, social assistance programmes will have to continue playing a critical role in the short to medium term. This will require major improvements in their implementation to address current shortcomings.
- A number of interventions have been successful in raising primary enrolment levels in developing countries and bringing universal primary enrolment closer to reality. Countries will need to continue efforts towards universal enrolment with a greater focus on improving completion rates and on the quality of education.
- Countries should continue investing in appropriate infrastructure and teacher capital to ensure the best outcomes for students. This will require efficient use of limited resources and availability of proper monitoring systems to improve outcomes. Most important, improved education must be matched with appropriate labour market policies to ensure greater capacity to absorb new graduates.
- There have been improvements in gender equality in many countries, including as a result of legal changes, but further efforts will be necessary to come close to meeting the goals. Proper enforcement of existing laws and implementation of policies to reduce discrimination and boost equality of opportunities are necessary.
- Ensuring equal access to education, politics and the labour force requires a combination of policies targeted towards girls and women at all stages of life to ensure equal representation and better chances for equal outcomes.

## Introduction

This chapter and chapter IV provide an overview of policies that have contributed to reducing poverty and overcoming the human development challenges encompassed by the MDGs with a focus on social policies. As noted in chapter I, this *Survey* recognizes that economic and social policies are indivisible aspects of broader development policy. The *Survey* also recognizes the difficulty in determining exactly whether the MDGs were the main motivators of the policies reviewed. Many of the social policies under review predate the MDGs; therefore, their continued use was actually a confirmation of countries' long-term policy commitments to poverty reduction and human development, which was demonstrated in many developing countries' efforts to scale up social spending.

**Public social spending has risen since the MDGs were adopted, but it is uncertain how much of this was driven by the MDGs**

Since the MDGs were adopted, developing countries have, by and large, allocated more public spending to social protection and social sectors—although it is uncertain whether this trend was driven by the MDGs. Many of these countries did not cut public social expenditures in the midst of the global financial crisis and thereby shielded vulnerable populations from the effects of the crisis, as noted in chapter II. Increased public spending has made it possible to step up efforts to make progress towards the achievement of the MDGs. The experience of the 2000-2015 period is rich with regard to social policy efforts—their successes and failures as well as their potential to continue producing improved development outcomes. Reviewing this experience proves valuable for drawing lessons that can be valid for completing the unfinished business of the MDGs and implementing the 2030 Agenda for Sustainable Development.

Because social policy is such a broad concept and in many cases overlaps with economic policy and other policies, the social policies reviewed in this chapter and chapter IV are limited to and grouped into three major categories: social protection, sectoral policies and social promotion.<sup>1</sup> *Social protection* has two important components: (i) social insurance programmes, which are usually contributory and provide pensions in old age as well as protection against multiple risks, and (ii) non-contributory schemes such as income transfers, subsidies, workfare and others. *Sectoral policies* are those interventions that contribute directly to building human capital, typically by investing in education, health, housing, and infrastructure. *Social promotion* includes policies in the areas of microfinance, technical assistance to small firms, promotion of production, and so forth, which expand the opportunities of people to generate their own income.

The emphasis in this chapter and chapter IV is on the first two categories of social policies. Non-contributory social protection programmes are the component with the strongest focus on poverty reduction in developing countries (Cecchini and Martinez, 2012; Barrientos, 2010). Some of these programmes also contribute to employment creation and reducing hunger. In the same vein, most MDGs were also expressed as sectoral goals, thus their realization has involved sectoral policies in education, health and sanitation. Social promotion initiatives are discussed as long as they complement social assistance and sectoral policies.

This chapter in particular presents examples of some of the social policy efforts that have proven effective in making headway towards reducing poverty and hunger (MDG 1); achieving universal primary education (MDG 2); and promoting gender equality and empowering women (MDG 3). Policies with regard to health are reviewed in chapter IV, and those related to water and sanitation in chapter V. Policy implications for the 2030 Agenda for Sustainable Development emanating from the review of policies for each MDG area covered in this chapter are presented in the policy recommendations section at the end.

<sup>1</sup> This classification is according to the definition of social policy used in Cecchini and Martinez (2012, p.116).

## Social protection for lifting people out of poverty

Globally, the MDG target of reducing extreme poverty by half has already been met. Economic growth and concomitant job creation have enabled many people in the world to escape income poverty. Social policies that target the most vulnerable populations and build and promote human capital have also played a critical role. However, more efforts are still needed to further eradicate poverty, especially in populous countries with large numbers of people living in extreme poverty as well as in vulnerable and conflict-affected countries. The proportion of undernourished people in developing regions has also decreased. Some countries have made little headway since the early 1990s, such as in Oceania, whereas others, such as in sub-Saharan Africa and South Asia, have made considerable progress, but are still well above the targets with the numbers of undernourished increasing owing to population growth (United Nations, 2015a).

Social protection will be a critical aspect of the social policy efforts for further reduction of poverty and hunger going forward. Social protection floors (SPFs) and social safety nets (SSNs) are key instruments of social protection. SPFs are designed to provide universal protection to all in need of such protection, based on the human rights framework for social security—an initiative launched by the International Labour Organization (2012a) in response to the global financial crisis.<sup>2</sup> SSNs could be viewed as a subset of SPFs and as part of transitory or short-term response measures to protect the poorest against “shocks”. Essentially, SSNs are non-contributory benefits and are sometimes interchangeably referred to as social assistance policies (Smith and Subbarao, 2003) throughout this Survey. During the global financial crisis and the aftermath, for example, many developing countries’ Governments stepped up social protection spending to shield part of the vulnerable population from the effects of the crisis (see chap. II).

This section focuses on non-contributory social protection policies, as they encompass public actions designed to transfer resources to groups deemed eligible due to deprivation (as defined by low income) or other dimensions of poverty. These policies are typically tax-financed benefits, in cash or in kind, sometimes universal but generally targeted towards specific population groups. In developed countries, these policies focus on income maintenance and protecting living standards of everyone. In developing countries, which this chapter focuses on, these policies are centred more on reducing poverty and providing support to people living in extreme poverty and other underserved populations.

Starting in the 1990s but accelerating in the new millennium, public social protection spending has increased in low- and middle-income countries, outpacing other social expenditures such as those allocated to education (figure III.1). This increase was rather limited in those developing regions of the world, such as sub-Saharan Africa, where low-

**Social policies that target the most vulnerable populations have played a critical role in reducing poverty...**

**...and will continue to be a critical aspect of social policy going forward**

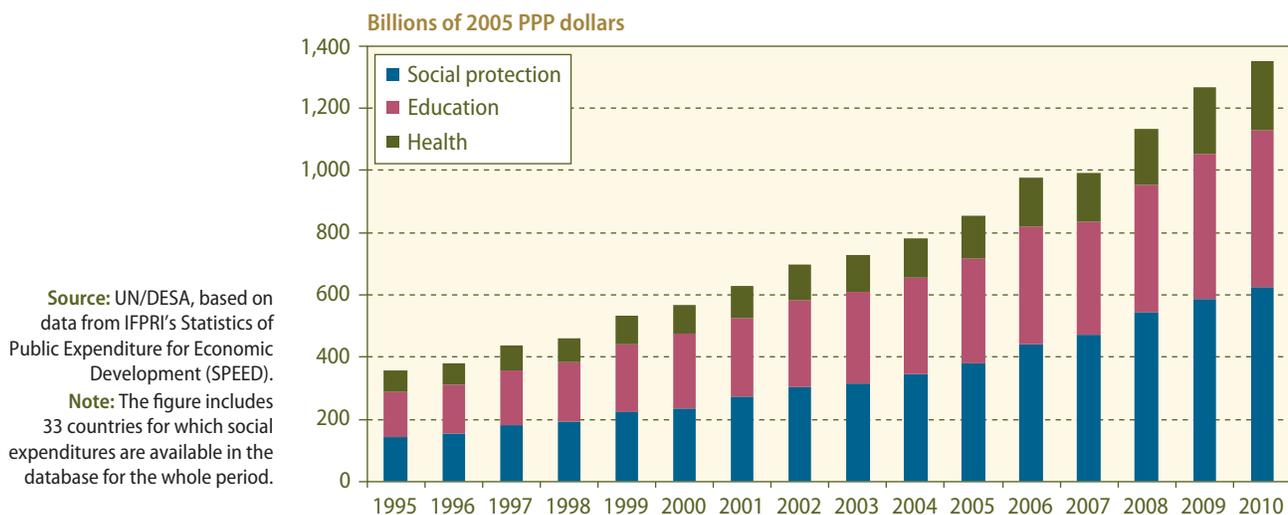
**Public social protection spending has accelerated in the new millennium, particularly in low- and middle-income countries**

<sup>2</sup> On 5 April 2009, the High-Level Committee on Programmes (HLCP) of the United Nations Chief Executive Board (CEB) reached an agreement on nine joint initiatives to address the global financial and economic crisis. The Social Protection Floor (SPF) Initiative was the sixth initiative of this agreement (<http://www.socialprotectionfloor-gateway.org/59.htm>). On 19 October 2010, the General Assembly (through resolution 65/1) recognized the role of SPFs in the efforts to make progress towards achieving the MDGs. In 2011, the Report of the Social Protection Floor Advisory Group, chaired by Michelle Bachelet and convened by the International Labour Organization (ILO) with the collaboration of the World Health Organization (WHO), further endorsed the initiative in 2011 (see International Labour Organization, 2011). The ILO laid out their SPF strategy in a report in 2012 (International Labour Organization, 2012a). In March 2014, the Chair of the United Nations Development Group and the Director General of the ILO called on United Nations country teams to take steps to advance the expansion of SPFs. The Sustainable Development Goals foresee the implementation of nationally appropriate social protection systems and measures for all, including SPFs.

income countries tend to be concentrated. In those regions, the financing of most of the social spending relied substantially on external assistance. The proliferation of social assistance instruments such as cash transfers explains, to a large extent, the increase in social protection expenditures—while contributory schemes are taking more time to be developed. In fact, in some regions such as Latin America and the Caribbean, where the most significant cash transfer programmes originated, the increase in public social spending was mostly driven by higher spending in social protection. The necessity to step up countercyclical policies during the crisis was also behind the growing pattern of social protection spending, especially after 2008. Governments in low- and middle-income countries' are also expending relatively more in social assistance schemes because they are more aware of the important synergies with education and health.

There is an array of social assistance instruments that contribute to reducing poverty and hunger, and in some instances they also promote employment (table III.1). Some of these policy instruments can also strengthen the inclusiveness and equitability of economic growth because they are essentially redistributive in nature. Because in many cases these instruments also generate positive synergies for goals related to education and health, they can often be regarded as sectoral policies.

Figure III.1  
Public social expenditure in low- and middle-income countries, 1995–2010



## Cash transfers

Different social investment programmes in the 1990s in Latin America led to what is known today as cash transfer (CT) programmes whose proliferation became more apparent in the 2000s.<sup>3</sup> Cash transfers (CTs) have proven to significantly reduce extreme poverty and make

**Cash transfer programmes have been proven to significantly reduce extreme poverty and contribute to progress in other areas of development**

<sup>3</sup> For example, on 17 July 1990, the family allowance programme (PRAF) began as a social compensation programme aimed at attenuating the effects of the adjustment programmes among Honduras's poorest population. In 1997, PROGRESA was initiated in Mexico to become what is perhaps the first cash transfer programme. It aimed to target poverty in rural areas by providing cash payments to families in exchange for regular school attendance, health clinic visits and nutritional support. In 2001, PROGRESA was expanded into semi-urban areas, and in 2002 throughout the urban centres when its name changed to Oportunidades.

Table III.1  
Social assistance instruments

Area/sector	Instrument	Activity	Criteria	Objective
Economic security and social development	Cash transfers	Distribution of income to targeted households and persons	Household income level; extreme poverty line; household composition; for conditional cash transfers, school attendance, demand for health services	Reduce extreme income poverty in households (MDG 1) with spillovers to other MDGs
Food security	In-kind transfer (food-based)	Distribution of free food, food for work, food stamps, school feeding	Targeted to the poor and vulnerable (sometimes universal)	Reduce hunger and vulnerability among poorest households without economic capacity and with children
	Subsidy	Sale of subsidized food to targeted households	Targeted to the poor and vulnerable (sometimes universal)	Reduce household poverty
Employment creation	Workfare	Public works, vocational training	Unemployed heads of household; rural workers; low-skilled workers	Smooth seasonal income fluctuations in rural areas; reduce poverty caused by unemployment and underemployment in urban areas
Education	Grants	Scholarships, block grants, fee waivers	Targeted to poor households (sometimes include middle-income)	Reduce household poverty and facilitate investment in schooling, thereby helping to break the poverty chain across generations
Health	Subsidy	For medical service visits, fee waivers for those visits, medicines acquired, acquisition of family planning products, imported equipment, delivery of child nutrition products, micronutrient supplementation, midwife attention	Targeted to poor households (sometimes including middle-income)	Reduce household poverty and facilitate investment in health care, thereby helping to break the poverty chain across generations
Energy and transportation	Subsidy	For electricity consumption, fuel consumption	Targeted to poor households (sometimes universal)	Reduce household poverty and enhance access to electricity
Housing	Subsidy	To mortgages; one-time subsidy	Targeted to poor households (sometimes including middle-income)	Enhance access to sound housing
Agriculture	In-kind transfer (inputs-based)	Free distribution of seeds and/or fertilizers	Targeted to poor peasants	Foster income-generation and productive capacities
	Subsidy	Subsidy for inputs distribution; fertilizer subsidy	Targeted to poor peasants	Foster productive capacities and development

Source: UN/DESA, based on Cecchini and Martinez (2012); Sumarto, Suryahadi and Widjanti (2010); and Smith and Subbarao (2003).

sizable progress on several developmental sectors (Barrientos, 2010). Many programmes start with an unconditional cash transfer (UCT) scheme. Increasingly, countries—particularly middle-income countries—are attaching some kind of conditionality, thus turning their UCT programmes into conditional cash transfer (CCT) programmes. These programmes only transfer cash to target populations who typically meet certain criteria with regard to enrolment in schooling or utilization of health services. Adding conditionality has proven to be crucial to increasing cost-effectiveness and maximizing synergies (Baird and others, 2013).

**Unconditional cash transfer programmes may be appropriate where institutional capacity is more limited**

A wealth of evidence shows that UCT programmes reduce income poverty—for example through universal minimum pension schemes—and have synergies with a number of MDGs (see a review of studies in Sánchez, Julca and Winkel, 2015b). Although the use of CCTs is increasing, UCTs are still vital in a few countries and for particular populations. UCTs are being used more and more to target older persons and their importance is rising in sub-Saharan Africa where 37 countries had them in 2013, up from 21 just three years earlier (*The Economist*, 2015a). Weak government systems and institutional capacity favour the use of UCTs in many African nations because they do not require significant administrative costs and the rigorous monitoring and evaluation criteria that tend to characterize CCTs. Beyond the cost of monitoring conditions, UCTs may also have other inherent benefits over CCTs; for example, they are non-coercive and can promote choice and empowerment (Department for International Development, 2011).

CCTs and UCTs share a characteristic: both boost recipients' income contributing to reducing income poverty and inequality. Additionally, CCTs also seek to enhance human capital by providing cash to families in exchange for their commitment to invest in education and health services, among others.

**Conditional cash transfer programmes have been effective in reducing poverty, hunger and gender discrimination...**

Inspired by the call of the MDGs for reducing extreme poverty and hunger, ambitious CCT programmes to provide not only cash but also food aid to people living in poverty have been pioneered in several Latin American countries. Brazil's Bolsa Família, for example, the largest CCT programme in the world, has four subprogrammes (educational stipends to boost school attendance, maternal nutrition, food supplements and a domestic gas subsidy) that benefit about three quarters of people living below the poverty line (Camargo and others, 2013; Hall, 2006). The programme has secured food for mothers and children, improved the quantity and diversity of food consumed, and boosted the growth and nutritional status of children. Bolsa Escola, its largest component, has had a positive impact on school attendance, with 50 per cent of benefits reaching the two lowest income deciles (Graziano Da Silva, Del Grossi and de França, eds., 2011). More broadly, a wealth of evidence for other Latin American countries shows clear impacts of CCTs in terms of reducing poverty and inequality, increasing school enrolment and attendance as well as preventive health-care visits, and boosting children's nutrition and health in general (Levy and Schady, 2013; World Bank, 2013b; Ranganathan and Lagarde, 2012; Hall, 2006). The role of CCTs in promoting gender equality and empowering women has also been apparent, with some of the outcomes including higher labour market participation rates and greater feelings of empowerment (Soares and Silva, 2010). Interestingly, environmental conditional cash transfer (ECCT) programmes are providing direct transfers to communities and families with land titles in the Amazon basin in exchange for the protection of large areas of tropical forests and ecosystems (da Conceição, 2014).

**...and increasing environmental protection, inclusion and school enrolment**

CCT programmes have also been adopted in other regions. For example, the Pantawid Pamilyang Filipino Programme is a cornerstone of the Government's social

protection strategy. It has boosted enrolment in primary education as well as the long-term nutritional status of young children (World Bank, 2013c). In Pakistan, the Punjab Female School Stipend Programme has increased enrolment of eligible girls in middle school, while participating girls have also delayed marriage and have had fewer births by the time they are 19 years old (Alam, Baez and Del Carpio, 2011). In Malawi, a CCT scheme based on school attendance has also contributed to changing sexual behaviour with important outcomes, including a reduction in the prevalence of HIV, early marriage and teenage pregnancy among schoolgirls aged 13-22 years (Baird and others, 2009). Sub-Saharan African countries have been piloting community-based targeting programmes that use community members to identify worthy recipients. These programmes have been found to be effective in solving inclusion and exclusion criteria problems, while addressing poverty at a rate equal to, or better than, traditional CCT schemes (Davis and others, 2012).

### Additional schemes of social assistance

Where CTs programmes are not widely used, smaller social assistance programmes have been worth pursuing. For example, social protection spending may be low in sub-Saharan Africa, but a new wave of social assistance programmes indicates that there has been a move towards more regular programmes that provide income transfers as well as access to and utilization of social services in low-income countries of this region (Nino-Zarazua and others, 2010). In-depth assessments of these programmes are yet to come.

Subsidies have also been given to small farmers to buy fertilizer and seed at a rate far below the market price. In Africa, this strategy has guaranteed a return on investment of farmers living in poverty in the form of larger output yields per unit of grain used and a reduction of economic insecurity and vulnerability (Adesina, 2010). Some social programmes provided subsidized “essential” goods to targeted households, aiming at providing food security. In India, for example, the Targeted Public Distribution System (TPDS) is the largest food security programme in the country, accounting for about 1 percent of GDP in 2006 (Ihsan Ajwad, 2007).

In-kind transfers were one of the main forms of social assistance in Latin America until the 1970s and many countries still use them. Food programmes in particular have targeted households living in poverty and school children by providing soup kitchens, basic staples or nutritional supplements to mothers and babies, and food-for-work programmes for which participants self-select to work for low compensation (Ferreira and Robalino, 2010). These programmes range from in-kind food rations that household members can collect in certain shops (Tortivale in Mexico), public clinics (Programa Nacional de Alimentación Complementaria in Chile), schools (School Cafeterias in Costa Rica; Peru’s Desayunos Escolares), to food stamps (Food Stamp Programme in Jamaica; Bono Escolar and Bono Materno Infantil in Honduras). School feeding programmes often operate through public schools in neighbourhoods with a high incidence of poverty in order to have important synergies in areas such as attendance rates, nutrition, and improved cognitive performance, among others. Nonetheless, transfers in kind, such as food, have high operational and administrative costs related to procurement, transportation and the logistics of distribution.

Workfare programmes provide a cushion against unemployment risk by offering monetary compensation for “emergency” or “short-term” work in certain sectors such as agriculture, public infrastructure construction and others. Wages are set at a level that, while helping participants and their households to avoid hunger, are low enough to prevent the

**Subsidies, in-kind transfers and workfare programmes have also been effective in improving the lives of poor and vulnerable populations**

programme from attracting other low-productivity workers from their main occupations. Even so, some of these programmes are very ambitious with regard to their coverage. For example, Argentina's workfare programme *Jefes y Jefas de Hogar* had 1.2 million recipients by 2006 (equivalent to 6.4 per cent of the economically active population). The Rural Employment Guarantee Programme of India (NREGA) created about 2.5 billion workdays for 50 million households between 2010 and 2014. Not only has this programme reduced extreme poverty, it has also scored human development benefits in the localities where it has been implemented and has had economic growth effects as well (see Sánchez, Julca and Winkel, 2015b, box 3; Zepeda and others, 2013).

### Implementation issues, shortcomings and solutions

**Some social protection programmes have issues with implementation, targeting and funding sources...**

While they have proven effective for reducing poverty and vulnerability, the social protection instruments described above are faced with important challenges. For example, some have questioned their long-term financial sustainability and the need to build complementary programmes to enhance sustainable poverty reduction by improving investment in basic long-term social infrastructure. It has also been argued that CTs may create disincentives to work, perpetuate dependency, and suffer from improper client selection, inadequate monitoring mechanisms, and lack of transparency. There are also issues of overlap and inadequate design of various programmes. For example, the expansion of poverty reduction programmes in sub-Saharan Africa has often been almost entirely funded with international aid. Some programmes also risk promoting fragmentation of social assistance.

There is also a broader issue relative to the merits between targeted and universal poverty reduction programmes. Apart from the problems of improper inclusion and exclusion, targeted programmes may harm social cohesion and stigmatize the recipients (United Nations Research Institute for Social Development, 2010). However, in spite of the shortcomings, these types of programmes will continue to be necessary as long as there are vulnerable populations that cannot benefit from broader economic, social and environmental policies.

**...although solutions such as changes in programme timing, targeting families and unique registry systems can help to mitigate some problems**

Simple and innovative solutions are available to address some of the problematic issues of social assistance policies. Most of these are aimed at increasing effectiveness and require adequate monitoring and evaluation. For example, in Bogotá, Colombia, a CCT programme boosted attendance during the school year but re-enrolment rates were low. In this case, a shift in the timing of the hand-out—that is, withholding part of the regular payment until just before the start of the school year—boosted enrolment sharply again (*The Economist*, 2014b). In some cases, an approach that would focus on targeting the family as opposed to individuals could also help eliminate unjustified overlaps of programmes—thus improving targeting and effectiveness (World Bank, 2013d). This is particularly true if these transfers do not worsen the intra-household income distribution, given that the patterns of resource allocation within households may marginalize allocations towards some household members such as women, the elderly, children, persons with disabilities, and so on.

There are experiences of countries that have created a unique registry system for all policies in order to improve efficiency. For example, the *Bolsa Família* programme in Brazil and programmes in at least 22 other developing countries have started to list the registration of recipients online to help reduce fraud, while 230 programmes in over 80 countries verify identities with biometric information, some keeping track of the recipients of social spending (*The Economist*, 2015a).

Social assistance programmes are also more effective when they are supplemented with supply-side interventions. A number of studies suggest that learning outcomes for children brought into school by CCTs are mixed. It is equally significant that while CCT programmes improve enrolment rates, they can also be factors leading to larger student-teacher ratios, thus handicapping the quality of education (Hasan, 2010). In this case, increasing the number of teachers becomes a necessary intervention to translate larger enrolment rates into good education outcomes. There have also been CCT programmes paying women to deliver in health facilities, but this has not necessarily translated into a reduction of maternal mortality, partly because of the low quality of health care at institutions (see chap. IV).

Offering opportunities for a broader, more active and coordinated approach than simply providing CCTs or other social benefits is also critical to the impact of social assistance. For example, Chile Solidario is a pioneering programme using social workers to seek out people chronically living in poverty and encourage them to enrol in training schemes, take up social benefits and raise their aspirations (*The Economist*, 2015b). Training programmes to boost skills are promising and can be critical for gradually moving towards more developed schemes of social promotion but, as with all other social assistance schemes, they will also require careful design and implementation.

**Supplementing programmes with supply-side interventions is necessary for increasing effectiveness**

## Interventions to ensure the attainment of primary education

In their efforts to meet the targets for universal primary education (UPE), developing countries have, by and large, focused to a much greater degree on enrolment as opposed to completion. These countries' enrolment rates increased from 83 per cent in 2000 to 91 per cent by 2015 (United Nations, 2015a, p.25). This masks disparities, though, as some developing countries had already achieved the goal of UPE in the years prior to the Millennium Declaration (United Nations Development Programme, 2010a).<sup>4</sup> Some of these countries raised the targets for MDG 2 to include more years of education or other educational goals (Sánchez, Julca and Winkel, 2015a). At the same time, other countries significantly lagged behind in meeting the goal well into the 2000s.<sup>5</sup> Given the starting position of many developing countries, particularly those in sub-Saharan Africa, it is logical that there has been greater focus on raising enrolment rates, while less attention has been paid to increasing completion rates. Hence, while enrolment rates have improved in many regions, completion rates have mostly stagnated. On the other hand, many developing countries are on track to achieve gender parity in primary education. Still, overall, the world will not reach the goal of universal primary education in the time planned, as progress

**Many countries have raised enrolment rates, but completion rates have stagnated**

<sup>4</sup> This varies by country and by year; for example, Argentina had 100 per cent enrolment in 1997, Cabo Verde had 98.2 per cent enrolment in 1991 (99.1 per cent in 1994), Cuba had 98.7 per cent in 1996, Lebanon had 99.8 per cent in 1999 (although they have since fallen back), Malawi had 99.1 per cent in 1999, among others.

<sup>5</sup> For example, by 2012, primary enrolment rates were only 34.2 per cent in Eritrea, 70.4 per cent in Mauritania, 63.6 per cent in Niger, and 72.5 per cent in Pakistan. On the other hand, some countries that were lagging earlier were able to make rapid progress. For example, the Democratic Republic of the Congo only had net enrolment of 56.1 per cent in 2006, but this increased to 91.6 per cent by 2012. Burundi had net enrolment of 57.3 per cent in 2005, which increased to 94.1 per cent by 2010 (United Nations MDG database).

began to stagnate after 2007 (United Nations, 2015a). Sub-Saharan African countries in particular will have to continue work to expand basic education, whereas other regions that have made better progress can begin to focus on expanding education at all levels. Overall, with regard to the goals for education, “[t]here is evidence that the world will have advanced by 2015 beyond where it would have been if the trends of the 1990s had persisted,” (United Nations Educational, Scientific and Cultural Organization, 2015, p. 43). That is, the trend shown by education-related indicators was generally more satisfactory after the adoption of the MDGs, compared with the previous decade, which points to a potential contribution from the MDG agenda in achieving the education targets.

**Legislative changes have often been an important first step in increasing enrolment**

Some of the interventions that were most effective in the past still appear to provide significant social outcomes per education dollar as further explained below. The approaches to raising enrolment may start by undertaking legislative reforms—in most cases to guarantee free and compulsory education. Fifteen countries in sub-Saharan Africa have adopted legislation abolishing school fees, either through constitutional guarantees or other forms of legislation, since 2000 (*ibid.*). Furthermore, there are a wide variety of factors involved in boosting primary school enrolment and completion rates, the most important of which are discussed in this section. In general, the most effective interventions appear to be a combination of appropriate number and form of facilities, particularly infrastructure; well trained staff, who are incentivized and monitored to minimize absenteeism; the relevant amount of instruction for both students and teachers; elimination of school fees; provision of teaching materials; proper attention to each student’s needs and abilities; well-fed and generally healthy students; well-educated families; involved communities; and proper attention to gender balance (Evans and Ghosh, 2008).

Sometimes these interventions feature as part of social protection policies, although they are more often education sector policies; or sometimes the two types of policies are integrated. Moreover, interventions geared towards prioritizing girls as well as health and nutrition-related programmes are also important for education outcomes and will be discussed in the next sections and chapter IV. A relevant example is in Ghana where a programme targeted disadvantaged schools with interventions such as providing potable water and free meals combined with the provision of deworming and eye-screening (Majgaard and Mingat, 2012, box. 5.1). Overall, deworming has been found to be one of the most cost-effective interventions for raising school attendance (Dundar and others, 2014; Kabaka and Kisia, 2011; Evans and Ghosh, 2008). Yet, it is not enough to have these types of programmes in place if they are not executed properly; they must have the appropriate outreach and awareness strategies as well as funding and political support. This relates to the governance issues discussed in chapter VI.

### Outcomes of spending on education

Many countries have undertaken comprehensive programmes to improve education outcomes, which have sometimes been supported by enacting legislative reforms in the first place. These programmes required increased public spending (see chap. II). In spite of the limited resources in developing countries, primary education appears to have provided the maximum social outcomes per education dollar (Majgaard and Mingat, 2012). The increased spending on education programmes not only has enhanced enrolment but it has also resulted in millions of new teachers trained and tens of millions of children receiving free textbooks (Dundar and others, 2014).

A decade since the MDGs were formulated, public spending per student in primary education appeared to be highly correlated with higher primary completion rates across countries (figure III.2). While there is some variation in outcomes by spending level owing to differences in historical, social and governance structures, and effectiveness in general, the overall trajectory points to a relatively strong connection between completion rates and education expenditures. Interestingly, public spending per student in primary education seems to be effective, including across upper-middle-income countries—a pattern not observed for public health spending (see chap. IV). At the same time, while increased per-student spending in primary education up until about US\$ 1,000 raises completion rates, additional per-student spending beyond that level does not seem to increase completion much further and could rather be allocated to higher education levels or other social sectors (figure III.2). A number of lower-middle-income countries where public spending per student in primary education has not increased much have also reaped important improvements in primary completion. These countries initially faced more challenging human development gaps than countries with higher incomes and therefore have seen improvements in education outcomes without having to spend as much, comparatively. Lower-income countries have also benefited relatively more from official development assistance, an important share of which was not necessarily tied to budget support early into the new millennium, and hence has not been accounted for as part of public spending.

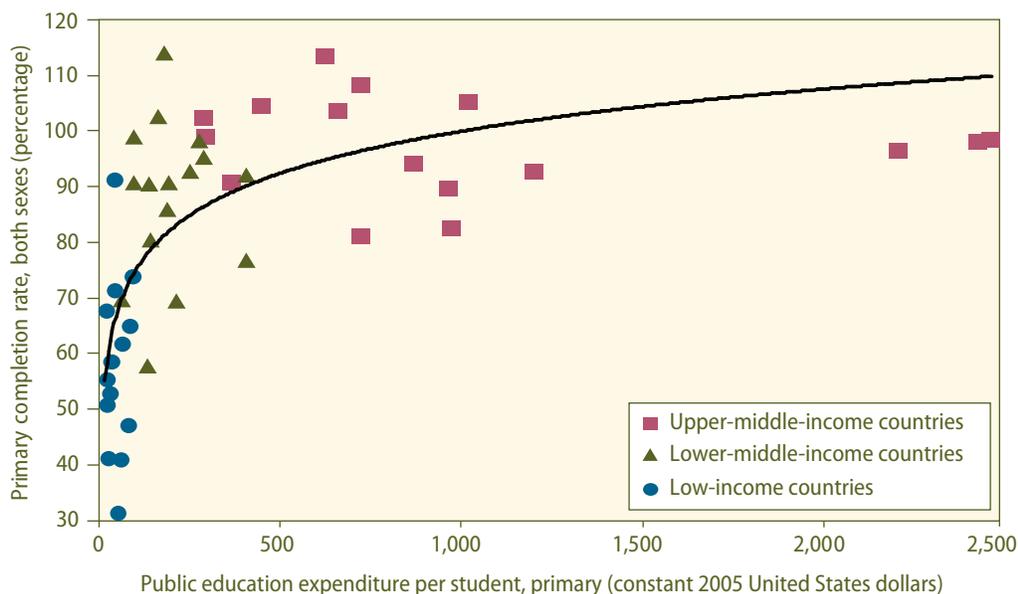
**Increased public spending per student is correlated with higher primary completion rates**

### School infrastructure

One of the most common and most effective interventions to raise enrolment undertaken in many countries has been the construction of more school facilities closer to the school-age population. Botswana, Nepal and the United Republic of Tanzania, for example, have all

**School construction has been a common and effective intervention to raise enrolment...**

Figure III.2  
Public education spending and primary completion in low- and middle-income countries, 2010



Sources: UN/DESA, based on World Bank, World Development Indicators for public education expenditure and United Nations MDG Database for the primary completion rate.

constructed thousands of new classrooms, particularly with the intention of reducing the distance that students have to travel to school (United Nations Development Programme, 2010b, 2010c). Improving the accessibility or adequacy of school infrastructure for students in general and girls in particular, is another critical measure to boost enrolment. Gendered sanitation facilities are an important example, particularly with regards to girls' enrolment and completion. Other interventions that have contributed to boosting enrolment by girls are introduced in the gender equality section of this chapter. Another example comes from Bangladesh where the special needs of children with disabilities are being addressed through the construction of ramps in schools (Sánchez, Julca and Winkel, 2015b).

**...while community or village-based schools have helped to reach underserved populations**

Community or village-based schools also have considerable benefits for enrolment, progression, construction cost and the ability to reach underserved populations.<sup>6</sup> Albania, Bangladesh, Benin, Egypt, Ghana, Guatemala, Honduras, Mali, Mauritania, Nepal, Zambia and Zimbabwe,<sup>7</sup> among others, all have variations on community schools, including community budgeting, school rehabilitation and management. In some cases, such as in Bangladesh and Nepal, committees directly responsible to parents, students and local citizens manage the schools (Dundar and others, 2014, box 9.2). Not only have community schools helped to boost enrolment, they have also contributed to reaching underserved populations in a number of countries such as Colombia, Egypt, Guatemala, Pakistan and Zambia, among others (DeStefano and others, 2007). In Cambodia, the Highland Community Programme has been effective in improving access and completion rates for indigenous children who are primarily ethnic minorities. This programme has established community governance with locally elected school boards comprised of village elders and has trained local teachers selected by the community. The educational process has also worked to introduce bilingual programmes to ease the transition between local languages and Khmer (United Nations Development Group, 2010). Village-based community schools in Afghanistan increased average enrolment by 42 percentage points (with a relatively higher percentage for girls) and raised test scores for all children in the village (Burde and Linden, 2012).

The construction of many schools must have had a positive impact on MDG 2, especially in LDCs, and should continue to feature prominently among development efforts to cover important remaining deficits. At some point, there are likely to be diminishing marginal returns from some of the most effective interventions, such as new school construction, that will necessitate shifts in policy strategy. That point is still far off in many poor countries that face high population growth rates or where sizable parts of the population live in remote areas and may remain unreached for some time.

<sup>6</sup> There are a variety of definitions for what qualifies as a community school, but generally they involve members of local communities participating in various functions for the school ranging from construction, management, governance, curricula, recruiting teachers and procuring supplies. These schools also tend to be separate from schools run by the Government and have different sources of funding (Miller-Grandvaux and Yoder, 2002).

<sup>7</sup> For Albania, see United Nations Development Programme (2010a); for Bangladesh and Nepal, see Dundar and others (2014, box 9.2); for Benin, Mauritania and Zimbabwe, see Majgaard and Mingat (2012); and for Egypt, Ghana, Guatemala, Honduras, Mali and Zambia, see DeStefano and others (2007).

## Adequacy of staffing, training and retention programmes

The first step in addressing the human resource aspect of education begins with ensuring an adequate number of appropriately educated graduates, which sets the baseline from which to draw teachers (Mulkeen, 2010). This will require further investment in all levels of education in order to raise the number of graduates qualified to be trained as teachers. Investing in education to increase the number of teachers may take time (as further explained below). Therefore, the next—if not simultaneous—important intervention for providing adequate primary education is to use more immediate solutions that will increase the number and qualifications of staff to both give instruction and operate the institutions. Examples of programmes to tackle this issue include the establishment of training institutes in provinces (Central African Republic); progressive financial incentives to attract qualified teachers to otherwise underserved locations (The Gambia); direct hiring by local schools to select teachers from the local communities (Lesotho); and self-selection by candidates willing to serve in rural areas (Malawi) (Majgaard and Mingat, 2012, box 3.1). Ethiopia is working to improve the qualifications of the existing teachers through improvements in on-the-job training as well as summer programmes for teacher training (United Nations Development Programme, 2010a). Appropriate salaries and proper incentives can be important for ensuring effective teacher performance and reducing absenteeism (Sánchez, Julca and Winkel, 2015b). In India, individual performance incentives resulted in significant improvements in student outcomes (Dundar and others, 2014, box O.8).

Some other examples of successful teacher hiring programmes to increase primary school coverage include seeking contract teachers to address the gap between the ratio of civil servant teachers and students as a result of rising enrolment rates (Niger), recruiting volunteer teachers (Ghana and Senegal), and involving parents' associations in the hiring of teachers (Madagascar). In many instances of these or similar programmes, the Government has subsequently taken steps to attempt to integrate these teachers into the civil service (Majgaard and Mingat, 2012, box 4.1; United Nations Development Programme, 2010c). Other successful ways of improving teacher coverage, particularly of underserved groups, include recruiting women and representatives of marginalized groups (of people with disabilities and ethnic minorities in Nepal); establishing programmes whereby teachers are selected to travel with migratory pastoralists (Ethiopia); training teachers on adapting to diverse student needs (Lao People's Democratic Republic), and using mobile classrooms to reach street and working children (Egypt) (United Nations Development Programme, 2010b; United Nations Development Group, 2010).

Nonetheless, even when teachers are assigned to schools, there are often serious problems with teacher absenteeism, especially in LDCs. Useful interventions to deal with this issue include community involvement in teacher monitoring and performance-based incentives that hold teachers or school principals accountable for students' learning outcomes. For example, the Gambia introduced "cluster monitoring" supervision units to regularly check teacher attendance records, resulting in a substantial rise in teacher attendance (Majgaard and Mingat, 2012, box 5.4). Similarly, school-based management (SBM)—a system of decentralization of control to local schools—has been shown to increase the accountability of teachers to schools (Barrera-Osorio and others, 2009). Evaluations of programmes that have SBM components in El Salvador and Honduras show relevant changes in teacher behaviour and consequently improvement of student outcomes (Rogers and Vegas, 2009). The use of social audits focused on educational attainment and

**Increasing the number of qualified teachers will require further investment in education in the long run...**

**...and a variety of other measures, such as recruiting more women and representatives of marginalized groups, in the short run**

literacy rates in India through the collaboration of government and citizens' organizations have been an important tool in monitoring the effectiveness of education; they also cost less than more extensive surveys (United Nations Development Programme, 2010a).

### Elimination of school fees and other costs

**Elimination of school fees has been effective in raising enrolment and should continue**

Free primary education has a measurable impact on years of schooling (Bhalotra, Harttgen and Klasen, 2014). The reduction in fees for school and materials, particularly textbooks, and reducing opportunity costs has important implications for enrolment and attendance (Sánchez, Julca and Winkel, 2015b). A number of developing countries had all eliminated school fees at the primary level by 2010 (United Nations Development Programme, 2008; 2010a; 2010c). Burundi and Mozambique, for example, saw considerable progress after dropping school fees in 2004, with enrolment rising from 54 to 95 per cent between 2004 and 2010, and from 70 to 88 per cent between 2004 and 2008, respectively (United Nations Educational, Scientific and Cultural Organization, 2014). The elimination of school fees in Mozambique also included capitation grants to local schools to purchase learning materials as well as free textbooks for all primary school students, which helped to offset some of the revenue local schools may have lost (United Nations Development Programme, 2010a; United Nations Educational, Scientific and Cultural Organization, 2014). Given that eliminating school fees can put pressure on government budgets, a number of countries such as Benin, Ghana and Lesotho have implemented the fee reduction in stages in order to mitigate fiscal pressures (United Nations Educational, Scientific and Cultural Organization, 2015). In addition, Burkina Faso, Ghana and India have all taken steps to increase the provision of free textbooks (Majgaard and Mingat, 2012, box 5.1; United Nations Development Programme, 2010b). Improving the availability and quality of educational materials features among the effective interventions that have helped Chile become a leader in educational achievement in Latin America (Overseas Development Institute, 2014). As part of its decentralization programmes, Kenya devolved school management, including the supply of free teaching materials, to local schools (United Nations Development Programme, 2010c).

### School feeding programmes

**School feeding programmes have also been effective in boosting enrolment and raising participation rates**

There is strong evidence for the effects of school feeding programmes on raising enrolment, although the effect on academic achievement is still inconclusive. A total of 19.8 million school feeding beneficiaries in 63 countries were reached by the World Food Programme in 2013—of which almost half were girls. As a result, a greater number of parents sent their children to school (United Nations, General Assembly, 2014a). The Food for Education (FFE) programme in Bangladesh has boosted school participation rates (Meng and Ryan, 2007) and other feeding programmes have increased enrolment, especially of girls in Burkina Faso and increased attendance rates in Uganda (World Bank, 2012a). Overall, school feeding programmes have obvious synergies with the hunger reduction targets of MDG 1 as they raise children's and their siblings' consumption (Sánchez, Julca and Winkel, 2015b). Some school feeding programmes also have synergies with MDG 3 as they have also boosted girls' enrolment and completion rates (Gelli, Meir and Espejo, 2007).

## Issues relatively neglected in the policy agenda

In their efforts to achieve universal primary education, many developing countries have focused to a much greater degree on enrolment as opposed to completion. Greater focus on completion is necessary and calls for extra efforts to gather data on out-of-school students. Without better knowledge of the conditions preventing children from attending or staying at school, it will be difficult to introduce proper measures to address those constraints. The fact that many students are not staying in school is still a serious issue in some countries, particularly those affected by conflict, and it has been resistant to efforts to reduce it for some time (Sánchez, Julca and Winkel, 2015b; United Nations Educational, Scientific and Cultural Organization, 2014). Because the reasons explaining school dropout can vary from country to country, addressing them will necessitate various levels of adaptation of programmes to reach those students (Majgaard and Mingat, 2012). An example of a more generally beneficial intervention is increasing the share of female teachers, which was shown to increase retention of students in a cross-country analysis of 54 developing countries across regions by Mapto-Kengne and Mingat (2002). Outreach, extracurricular activities and financial incentives were successful in increasing retention rates of Roma children in Bulgaria (United Nations Educational, Scientific and Cultural Organization, 2015). In addition, monitoring of currently enrolled students through tests of literacy and subject knowledge must be expanded to ensure that they are learning and retaining the material studied.

In addition, the issue of child and adult literacy has often been overlooked. While the vast majority of programmes focus on childhood education, many students complete primary education without reaching important literacy and numeracy benchmarks (Unterhalter, 2014). Low literacy rates raise the issue of the quality of schooling—which will be a significant hurdle for further efforts to improve education going forward (United Nations Educational, Scientific and Cultural Organization, 2014). This underlines the need to further improve student/teacher ratios, teacher training levels, pedagogy methods and teaching materials—issues noted above.

Furthermore, it is also important to pay more attention to early childhood development as this has important synergies with educational attainment and, in particular, with early childhood nutrition. Pre-primary education is a valuable way for improving general education levels and literacy as well as boosting the effectiveness of subsequent primary education. There has been a considerable rise in enrolment in pre-primary education—up by 64 per cent between 2000 and 2012—albeit from an initially low level (United Nations Educational, Scientific and Cultural Organization, 2015). Nonetheless, many developing-country Governments already have stretched education budgets that limit their efforts to provide pre-primary education. Enrolment rates differ considerably across regions, with many countries in sub-Saharan Africa enrolling less than 20 per cent of children, despite considerable progress (ibid.). While a number of countries have instituted mandatory pre-primary education for which fees have been mostly eliminated, many pre-primary programmes in these countries still charge enrolment fees (ibid.). This may alleviate government budget pressures, but, at the same time, it puts pressure on households' finances. A possible solution to education budget constraints can be found in community-based pre-primary education, which some countries (Cabo Verde and Guinea) have provided at a much lower cost than traditional publicly funded programmes (Majgaard and Mingat, 2012).

Issues of adult literacy are particularly problematic for women, especially in rural areas and in sub-Saharan Africa, given the broader implications for health, development and women's empowerment. A number of countries across the world have undertaken

**Increased attention to completion as well as dropouts will be important for making further progress**

**Pre-primary education will be an important part of early childhood development efforts**

**Literacy issues for both children and adults have been somewhat overlooked, particularly for women in certain areas**

campaigns to boost literacy with varying degrees of success. The Ibero-American Plan for Literacy and Basic Education of Youth and Adults (PAI) covering 17 countries in Latin America and Spain has helped 5 million people gain basic literacy between 2006 and 2012. At the same time, this has had limited impacts on the literacy rates of these countries given the number of illiterate adults. In addition, the Cuban Yo Sí Puedo (YSP) literacy campaign has reached 7 million people in 30 countries in Latin America and sub-Saharan Africa, although there are debates about its efficacy (Hanemann, 2015). While overall statistics from all regions point to rising levels of adult literacy since the adoption of the MDGs, much of that appears to be as a result of increased education of previous generations. In other words, the rising levels of adult literacy do not tend to result from the success of adult literacy programmes; rather, they result from increases in education that current adults received as children. A rare exception to this has been Nepal's National Literacy Campaign Programme, which actually managed to raise literacy of adults over time (United Nations Educational, Scientific and Cultural Organization, 2015).

Overall the focus on expansion of education has overshadowed issues of distribution, particularly for girls, rural students, children with disabilities and indigenous populations. Part of the problem is that such issues of distribution have been hidden by the level of aggregation of available statistics. The unfinished business of the MDGs will require continued reinforcement of the existing data infrastructure to bridge such important data gaps (as discussed in chap. I). Nonetheless, there have been programmes to reach underserved populations. For example, Panama has established adult literacy programmes in indigenous areas, Costa Rica has established schools tailored to indigenous people, and the Bolivarian Republic of Venezuela's Misión Guaicaipuro programme has taken steps to ensure rights to education for indigenous people (United Nations, Department of Economic and Social Affairs, 2014a).

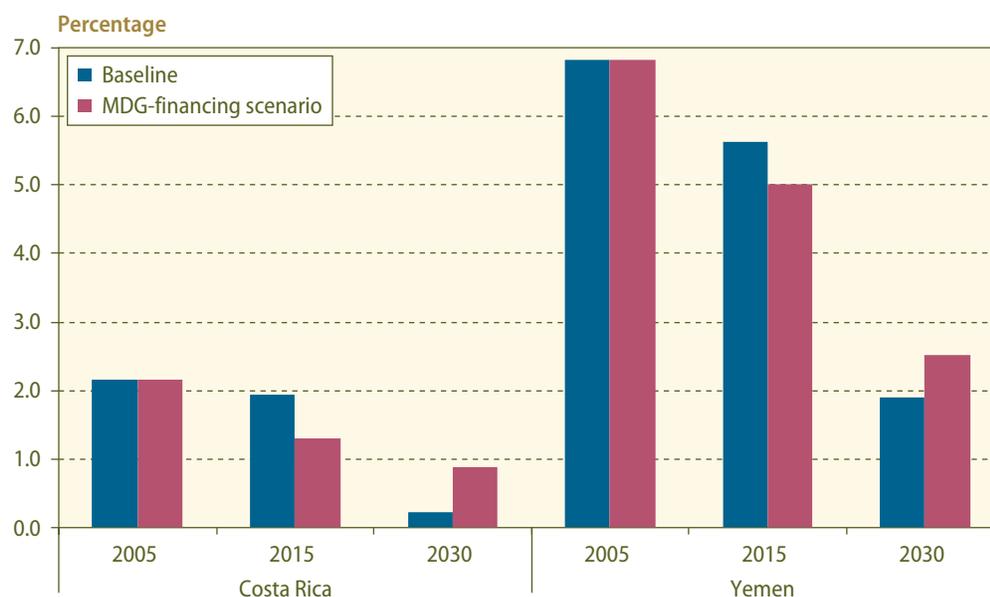
## Education and the labour market

**Increased enrolment has to be matched with efforts to boost the labour market to accommodate new graduates**

Policies described above have helped developing countries to build a stock of better-educated workers. However, an important trend underlined in chapter II is that some economies have not been equipped to absorb an increasing stock of better-educated workers. In fact, there has been insufficient creation of skilled jobs in many developing countries, resulting in youth unemployment, underemployment and skill mismatches in the labour market. These issues are particularly problematic for the achievement of development goals, as they can result in rising inequality of income and opportunities, more poverty, and ultimately lead to the perception that the return to education is low. Chapter II suggests economic policies that can contribute to eliminating such mismatches. At the same time, there should also be initiatives to inform future job seekers about the needs of labour markets and programmes that address issues of relevance of education and training taught by the education system for the labour market.

In research on the connections between investment in education and outcomes in the labour market, Sánchez and Cicowiez (2014) simulated a scenario for four developing countries whereby public spending increases from 2005 to meet, by 2015, a number of MDG targets, including UPE. By comparing this scenario to a baseline projecting past trends, the authors find that the employment of better-educated workers that would be newly available as a result of past investments in education would generate productivity and GDP growth gains after 2015. However, it is also found that some economies would not be

Figure III.3  
**Unemployment rate of the most-skilled workers under a baseline and MDG-financing scenario<sup>a</sup>**



Source: Sánchez and Cicowiez (2014, fig. 4).

<sup>a</sup> In the MDG-financing scenario, public spending increases to meet a set of MDG targets. Most-skilled workers are those who possess a diploma or degree in tertiary education.

equipped to absorb the increased stock of better-educated workers; in fact, unemployment of such workers increases at some point compared with the baseline (figure III.3).

Addressing these issues requires understanding the features of the education systems and the structure of the labour markets and how they interact. In developing countries, there are considerable differences in the degree to which graduates of higher education work in the formal sector vis-à-vis the informal sector. For example, 88 per cent of 25- to 34-year-olds with higher education in Malawi work in the formal sector, versus only 20 per cent in Guinea (Majgaard and Mingat, 2012). These differences may come as a result of the differing abilities of the labour markets to absorb the skilled graduates, which will therefore require further efforts to integrate those graduates appropriately.

Some countries are already addressing these issues. An example of a programme to offset the mismatches between education and the labour market is Ghana's National Youth Employment Programme (United Nations Development Programme, 2010c). Proper dissemination of information regarding the labour market can also be beneficial. Alignment of higher education programmes with employers' needs can produce more employable graduates and ensure that students have relevant expectations about the labour market. Public funds can be an important method for connecting post-primary education with areas that lack skilled workers (Majgaard and Mingat, 2012). In Kyrgyzstan, the Second Education Project is working to improve the relevance of the education system to the state of the economy (United Nations Development Programme, 2010b).

### Bridging gender gaps to empower women

Many regions have improved gender balance in key areas, and overall gender parity in primary education will have been achieved by 2015 (United Nations, 2015a, p. 29). Even so,

there are still large gaps between male and female enrolment at higher levels of education, particularly in sub-Saharan Africa, and substantial differences in the share of women employed outside the agricultural sector across different regions. Women are also much more likely to have part-time employment compared to men and are seriously unrepresented in the political realm. Initiatives at the national level described here, covering legislative changes, education, the labour market, the political realm, and other issues, still hold the most potential for helping countries address gender gaps beyond 2015.

### Legal changes and women's rights for gender equality

**Legal changes to improve gender equality have been widespread...**

Frequently, efforts to improve gender equality since the MDGs were formulated and adopted have come in combination with legal changes, either meant to roll back previous restrictions or to enshrine legal protection for certain rights for women. A number of countries have put legal structures in place, aimed at moving towards gender equality. Overall, a majority of countries now have provisions to protect women's rights, including 143 countries with constitutional guarantees of women's rights and 125 with laws to prohibit sexual harassment as of 2014 (UN Women, 2015). Although the outcomes of such laws and strategies have led to some progress, many disparities remain (United Nations Development Programme, 2010a). A recent study covering 173 countries found that 155 still had at least one law in place that impeded economic opportunities for women although, at the same time, there have been 94 reforms in 65 countries over the past two years that have improved women's economic opportunities (World Bank, 2015d). It is critical to ensure that new laws emerging from these efforts be reinforced with political support and complementary measures.

The outcomes go beyond gender equality. In Morocco, the Family Code introduced in 2004 has raised the legal age of marriage to 18, which can have important impacts on outcomes for health goals by way of reducing early childbearing (ibid.; Bharadwaj, 2015). The new code also addressed issues of property sharing and inheritance and legalized the initiation of divorce proceedings by women. Another example comes from changes in family laws enacted in Ethiopia in 2000. After raising the minimum age of marriage and allowing women to work outside the home without the possibility of denial by their spouses, economic participation by young single women age 15-24 increased considerably between 2000 and 2005. In general, Ethiopia saw significant changes in women's employment, such as working in occupations that employed more educated workers, in paid and full-time jobs, and generally in occupations that were outside of the home (Hallward-Driemeier and Gajigo, 2013). Across the world, 132 countries had equalized the age of marriage by 2014, but there are far fewer that have taken similar steps to enact equalizing family laws or repeal discriminatory provisions (UN Women, 2015).

**...but further efforts are needed, including political support for the changes**

Women's rights are critical to ensuring gender equality and they generally find necessary support in the rule of law. In fact, efforts to boost gender equality need to be taken on and maintained for their own sake on the basis of human rights as they may require special interventions. In more general terms, it will be necessary to combine efforts to improve women's empowerment and other processes as no single effort will produce the necessary conditions for full equality. For example, efforts to improve women's economic position require both economic development and endeavours to strengthen women's empowerment, as neither leads to the other in isolation (Duflo, 2012). As further noted below, policies designed to merely increase women's participation in the labour market may not have expected outcomes if the right to quality employment is not taken into account.

In a number of African countries, customary laws—which often accord fewer rights to women in areas of adoption, marriage, divorce and inheritance—operate alongside statutory legal structures favouring equal rights. In this sense, grassroots women’s groups in a number of African countries have undertaken important steps in improving women’s land and inheritance rights. The efforts include the engagement of communities to change perceptions and ensure that women’s claims are adequately addressed (Lawry and others, 2014).

There are also useful examples of existing projects that could help to meet expanded targets for gender equality going forward such as successful interventions related to ending violence against women, including sex trafficking and sexual and other types of exploitation. Programmes in Bangladesh, Colombia and Uganda have helped to improve awareness of gender-based violence and coping mechanisms, sensitizing elected representatives to these issues (MDG Achievement Fund, 2013; Abramsky and others, 2014). In Malawi, a programme has worked to address gender-based violence against women with HIV/AIDS as well as communication strategies and HIV risk awareness (United Nations Trust Fund to End Violence against Women, 2014). Interestingly, soap operas (Latin America) as well as documentaries, radio programmes and online platforms (Cambodia) have been used to expose and prompt dialogue on the dangers of sex trafficking, exploitation and other human rights violations against women (ibid.).

More broadly, women’s health during pregnancy and childbirth is another important basic human right. Ensuring that health-care personnel treat women with respect throughout pregnancy and childbirth is becoming a more important issue as it has been noted as a barrier to accessing quality health interventions (see chap. IV).

## Gender equality in education

In general, there has been relatively good progress on raising enrolment rates for girls in many developing regions, thanks to a variety of interventions including schools targeted to girls; proper infrastructure, such as gendered sanitation facilities and schools in closer proximity to the villages where girls live; CT programmes and scholarships targeted towards girls; and dormitory facilities for girls, particularly at the secondary stage and above. In Malawi, a CCT—regarded earlier as a social protection intervention—targeted towards girls has boosted enrolment, raised re-enrolment of dropouts and subsequently reduced the dropout rate of enrolled students (Majgaard and Mingat, 2012, box 3.2).

Unterhalter and others (2014) also reinforce the idea that school proximity is especially important to girls, with important examples of community schools that require less travel time. For example, community schools in Afghanistan that required less travel time reduced security risks and raised parents’ likelihood of allowing girls to attend school (United Nations Educational, Scientific and Cultural Organization, 2009). The construction of girls’ dormitories in secondary schools has also helped raise enrolment and retention rates in Ghana (United Nations Development Programme, 2010b). “Girl-friendly schools” that provide school meals to children living in poverty and vulnerable communities have helped Egypt become one of the few countries where girls are more likely to complete primary education than boys (United Nations Development Programme, 2010c). These girl-friendly schools also had facilities that were close to villages, primarily female teaching staff, class hours that allowed girls to participate in household activities, and free tuition.

Another key aspect of girls’ education is the appropriate teacher training that has a basis in gender equality, which has been shown to help reduce dropout rates and educational

**School proximity is an important factor in raising girls’ enrolment in schools...**

outcomes. Overall, female teachers are shown to have significant impacts on girls' learning, which will be important to take into account when planning future teacher recruitment efforts. The development of girls' clubs has also had relevant impacts on a variety of issues including education, reproductive health, gender-based violence and gender equality in general (Unterhalter and others, 2014).

**...along with the appropriate teacher training and community involvement**

Community involvement has also been important in increasing girls' school enrolment. In Benin, "Mother's Clubs" have helped raise educational awareness and boosted girls' educational registrations (United Nations Development Programme, 2010b). Nepal has implemented the Welcome to School initiative to enrol thousands of new students, over half of which were girls. These efforts involved coordination between the Government, communities and various forms of media to increase awareness and outreach (United Nations Development Programme, 2008).

### Women's participation in the labour market

Actions by government ministries geared towards empowering women, government employment programmes that hire a significant proportion of women, women's employment organizations, efforts to balance women's work and other obligations, and general investments in education have contributed to important gains for women in the labour market. Yet, in spite of the progress, more women are still in positions of vulnerable employment than men, and a considerable portion of their work in childcare, agriculture, trade, home production and other occupations such as waste pickup is not considered to be part of the formal sector (International Labour Organization, 2012b).

**While more women remain in positions of vulnerable employment, programmes targeted towards women have helped raise participation in labour markets**

Nonetheless, there are experiences pointing to more adequate and fair participation of women in the labour market. Programmes in India such as Self Employed-Women's Association (Blaxall, 2004) and NREGA (Sánchez, Julca and Winkel, 2015b) had considerable impacts on women's employment. Other examples of successful employment programmes targeted towards women include the Rural Maintenance Programme in Bangladesh covering an average of 60,000 destitute women per year (United Nations Development Programme, 2010a). Moreover, the Government of Bangladesh has promoted women's economic equality by withdrawing a ban on women's employment abroad and building capacity in the Ministry of Manpower Development and Export to provide security to women workers in the mid-2000s (Sánchez, Julca and Winkel, 2015b). South Africa's Expanded Public Works Programme has targeted a certain quantity of jobs towards women and has also mandated equal pay for equal work (United Nations Development Programme, 2010a; Devereaux and Solomon, 2006). In Egypt, there has been a significant increase—almost 70 per cent—in the number of women members in six farm associations targeted by the Pro-poor Horticulture Value Chain in Upper Egypt (SALASEL) Joint Programme (United Nations, General Assembly, 2014a).

**Regarding the recruitment process, the nature of the work and time constraints are important considerations in trying to increase participation**

An issue to be considered with regard to employment programmes is the nature of the recruitment process. For example, Rwanda had far better success attracting women through programmes that had information and recruitment programmes specifically geared towards women (Devereaux and Solomon, 2006). The nature of the work to be undertaken and whether there is a perception of gendered work roles both matter as well. For example, the Jefes y Jefas de Hogar Desocupados Programme in Argentina—an expansion of the social safety net in response to the economic crisis of 2001—was originally targeted towards male household heads, but had a 69 per cent participation rate for female household heads.

This was due to the fact that many of the jobs were more attractive to women (e.g., many involved working in community kitchens) (ibid.).

There are also issues regarding women's time constraints, such as expectations about childcare and housework, which are often not taken into consideration when initiating these programmes geared towards women. A potential solution was implemented in Ethiopia as part of the Employment Generation Scheme whereby women were allowed to work shorter hours in order to allow them to complete other tasks—albeit this could potentially enshrine gender differences in wages (ibid.). Community childcare centres in Colombia were shown to have significant impacts on women's labour force participation rates, particularly for low-income women (International Labour Organization, 2012b).

There are a number of benefits and synergies resulting from increases in women's employment, particularly in connection with education (Sánchez, Julca and Winkel, 2015b). In Mexico, general investment in education, without a specific gendered focus, had positive effects on reducing gender inequality in education, which subsequently increased female labour force participation rates (Creighton and Park, 2010).

For synergies between MDGs 2, 3 and 7, the introduction and expansion of access to cleaner and more reliable fuels has created income-generating opportunities for women across many African countries. In addition, it has saved women considerable time that they spend fetching and procuring and transporting fuel, which can now be used for education, formal employment or other entrepreneurial activities (United Nations Development Programme, 2010b). Similarly, the cisterns programme as part of the Fome Zero programme in Brazil has relieved women of the duty of fetching water from distant sources and freed up time for education and other activities (United Nations Development Programme, 2010c).

## Women's political representation

The importance of women's representation in political office is demonstrated by evidence that women parliamentarians are a critical component of adequately addressing gender issues, as parliaments with higher percentages of women are more likely to address women's issues (Ballington, 2008). Women face a number of initial constraints to entering politics: gender discrimination, psychological barriers on the part of candidates, a lack of political will to change gender balances, a lack of political networks, incumbency issues, security issues, and post-conflict democratic concerns (whereby women are often side-lined from transitions processes unless parties actively recruit them) (United Nations Development Programme and National Democratic Institute for International Affairs, 2012). The most effective and relevant interventions to raise the representation rates have included quotas for women at various levels of government and special groups or wings within political parties devoted to women's issues. There are also a number of strategies to overcome the frequent lack of necessary funding for women's participation in politics, such as fundraising networks geared towards women candidates; internal party funds dedicated to women candidates; subsidies to women candidates either from the party or from national political organizations; limits to campaign or nomination expenditures; allocation of public funding to political parties with specific portions to women candidates; allocation of specific funds to training women; and examination of party budgets through a gendered framework (ibid.).

Two distinct strategies for women's quotas stand out: one for candidates and one for reserved seats within the legislative body. The former usually manifests itself as party quotas for the number of women candidates on party or electoral lists and 50 countries have already legislated such quotas (ibid., p. 24). Some countries such as Armenia have also had

**Women's political representation is a critical component of addressing gender issues**

**Quotas for women in government have been effective in raising women's representation in politics**

some success in boosting the number of women in parliament by first working to implement voluntary quotas at the party level, which subsequently led to changes in legislative quotas. In other countries, such as Cambodia, India, Mexico, Morocco and South Africa, parties have also established internal quotas for women, particularly for governing boards or other executive committees. There have also been steps to create women's wings within parties such as the Women's Secretariat of the FLMN in El Salvador and the National Secretariat for the Political Promotion of Women in the National Action Party of Mexico. There is also interesting evidence for differences in women's priorities when they are in positions of power. In Indian village councils, women were more likely to invest in improving drinking water resources whereas men were more likely to invest in irrigation and roads (Chattopadhyay and Duflo, 2004). This may be related to the areas in which the different genders operate; fetching water, for example, is most frequently a woman's job in these areas.

### Limited policy coherence

**Going forward, it will be important to address gender equality in a broader context to ensure policy coherence**

The approaches to gender equality described above have allowed for important advances in the efforts to achieve gender equality and empower women since the MDGs were adopted. Nonetheless, these approaches have, by and large, not been broad enough to realize the potential trade-offs in pursuing them. Improving in one area, such as political representation, has not automatically led to advances in other areas, such as literacy. For example, Mongolia has performed well on gender equality in education, but has not performed nearly as well on measures of economic and political equality, despite having laws enabling women's representation in Government (Khan and others, 2013). Mozambique has performed relatively well on the political front but still struggles with a low rate of female literacy. On the other hand, Vanuatu has comparatively high rates of female literacy, but had no female parliamentarians as of 2014. Likewise, while many countries have a minimum legal age of marriage of 18 years, many also permit child marriage if there is parental or guardian consent (United Nations, 2013a).

### Policy recommendations

The policy interventions identified and discussed in this chapter have featured prominently at different stages in the period since the MDGs were formulated and adopted. The evidence supports the numerous ways in which these interventions have been critical in making headway towards reducing poverty and hunger, achieving universal primary education, and promoting gender equality and empowering women. Recommendations regarding those policies that still hold great potential for addressing the unfinished business of the MDGs and pursuing a broader sustainable development agenda are summarized as follows.

### Enabling the transition towards universal social protection

Social protection will feature prominently in the 2030 Agenda for Sustainable Development. The SDGs foresee the implementation of nationally appropriate social protection systems for all, including social protection floors, and substantial coverage of the poor and the vulnerable (goal 1.3). Social protection policies are also seen as an essential conduit to eliminating gender inequalities and improving equality in general (goals 5.4 and 10.4). They are also expected to result in spillover effects for other goals.

The expectation is that countries will transition towards universal social protection (USP) systems. For developing countries, this will be a challenging endeavour in many cases, especially for low-income countries where social protection systems have not yet been developed on the basis of a solid contributory system. Social assistance programmes, which are non-contributory, form the most important component of social protection in most developing countries, as noted.

Social assistance has typically been prioritized in countries where the state of the labour market and the overall economic and social situation does not provide enough opportunities to people. These policies do not necessarily promote incorporation of beneficiaries into the labour market or the economy at large—for which some of the economic policies discussed in chapter II are better suited. As developing countries pursue development goals after 2015, contributory social protection systems are expected to provide the basis for the transition towards USP systems. Yet, because contributory social protection systems will take time to be developed, social protection programmes that are mostly of a non-contributory nature will play a critical role in the short to medium term. However, implementation challenges of non-contributory social protection schemes will have to be addressed as follows.

*First*, the design of social protection programmes should be tailored to specific development and institutional conditions of individual nations. For example, CCTs with improved monitoring and evaluation mechanisms have been more effective in middle-income countries. Community-based targeting schemes and unconditional or low-conditionality programmes may be better suited for low-income countries.

*Second*, consolidation of small social assistance programmes into a single consolidated programme of social protection can reduce duplication and improve efficiency. This may include a unique registry system as well as biometric information to keep track of beneficiaries in order to improve coordination and consistency during implementation.

*Third*, focusing on the family as opposed to the individual can help to address multiple dimensions of poverty and vulnerability, provided that a fair intra-household allocation of resources and consumption can be ensured.

*Fourth*, supplementary supply-side interventions can improve effectiveness of non-contributory social protection schemes. For example, CCTs can boost enrolment in education and the demand for health services, but simultaneous efforts to increase education and health-care personnel are needed to avoid unintended effects on the quality of these services.

*Fifth*, social protection programmes should create greater consistency with labour market policies, so that more people have access to better earning opportunities, and build the basis to develop a contributory system towards a truly universal social protection system.

### Scaling and upgrading proven interventions in education

Relatively modest increases in expenditures in primary education still impact enrolment and completion rates in a significant way. There is room for considerably improving education outcomes despite limited resources, particularly in low-income countries. Proven interventions such as construction of schools, increasing the number of teachers, elimination of school fees and other costs, school feeding programmes do still pay off for the attainment of education goals. Spending more and better in developing countries should be aimed at upgrading these proven interventions as follows.

*First*, upgrading existing schools and services and curricula should be the focus where school access and coverage is nearing sufficiency. Upgrading sanitation facilities and accessibility will be particularly critical to improving enrolment and completion, especially if more girls and children with disabilities are brought into schooling. Building schools in communities or villages generally boosts enrolment and reduces dropout rates, especially of girls, as they require less travel time.

*Second*, the new sustainable development agenda posits universal secondary education among its priorities. School fees and other costs to education such as textbooks, uniforms and other related materials should be eliminated to the greatest degree possible not only in primary education but also at the secondary education level in countries where they are still common.

*Third*, continued efforts are also needed to reduce opportunity costs for school attendance in primary as well as secondary by adjusting the school schedule and location to specific circumstances.

*Fourth*, to increase the availability of good teachers, secondary and tertiary education has to be improved and teacher training facilities have to be upgraded and expanded including at the community level. Training programmes that teachers can go through while teaching can help to raise the level of education of both teachers and students and result in greater teacher effectiveness. But effective teachers will only be retained if their salaries and incentives for career development opportunities become more competitive.

*Sixth*, monitoring and evaluation with participation of community representatives need to be strengthened across education systems in order to address a variety of issues including absenteeism and lack of effort by teachers; tracking out-of-school students, both those that have dropped out and those that never attended; and monitoring the effectiveness of education.

*Seventh*, the fact that many economies are not equipped to absorb the increasing stock of better-educated workers in which they have been investing calls for expanding programmes to make connections between education and the labour market. Next to economic policies (see chap. II) there should be initiatives to give future job seekers the knowledge and skills demanded by the labour market. At the institutional level, aligning the educational system with the labour market will help produce graduates that have the skills for the existing and new industries. These challenges call for greater coherence between economic and social policies.

### Strengthening the gender equality and development interface

The approaches to gender equality reviewed above hold great potential going forward. However, they should be designed and implemented not only for the sake of reducing gender gaps, but also for the beneficial synergies that exist between improved gender equality and achievement of other development-related goals, which can then have important feedback effects. Strengthening the gender equality and development interface will require addressing issues of existing approaches that may have diminished outcomes, and may then require different approaches. For example, while there have been significant increases in legislation related to eliminating gender discrimination, further progress may require greater shifts towards enforcement. At the same time, policymakers should make efforts to better understand potential feedbacks between these approaches and ensure there

is coherence between policies and women's rights. Going forward, the following policy pathways are important to keep in mind.

*First*, further legislative measures and their adequate enforcement are necessary to raise the quota of women in political representative bodies, in corporate boards, and in other economic, political, and social organizations in areas where the normal pathways for advancement have been circumscribed by prejudice and discrimination. Legal changes enhancing women's right to ownership and inheritance have to be accompanied by programmes ensuring that the changes develop roots in the wider culture and become part of the social conventions and norms of behaviour.

*Second*, systematic steps will be necessary to guarantee that women's work, regardless of the sphere of activity, and including work in family farming, household activities and child-rearing, and work in various informal sectors, is valued appropriately.

*Third*, more attention must be paid to potential conflicts in the outcomes of policies aimed at gender equality. For example, cash transfer programmes have resulted in families withdrawing girls from school to participate in family enterprises. These policies should be balanced across the different dimensions—including education, health, employment, ownership, and political participation. This will necessitate better use of the interlinkages among them and recognition of the central role of economic empowerment to be achieved mainly through expansion of formal employment and promotion of self-employment opportunities for women.

*Fourth*, increased monitoring and evaluation are necessary for following the progress made in implementing policies promoting gender equality. In particular, stakeholders should be alerted regarding the potential conflicts in the outcomes of policies mentioned above. Prompt actions will be necessary to resolve these conflicts when they arise.



## Chapter IV

# Health policy interventions and systems

### Summary

- Countries have made impressive headway towards the achievement of health-related Millennium Development Goals (MDGs). Progress on the most prominent fronts has led other previously overlooked issues to move to the forefront. For example, the reduction of deaths in children under five years of age but older than a month has exposed the issue of neonatal mortality.
- A number of preventive and curative policy interventions have contributed to this progress; most of them were developed as part of a long-term process that predates the MDGs, but Governments stepped them up more vigorously to pursue the achievement of the MDGs.
- Alas, the health-related MDGs were not met globally by 2015; there are remaining challenges in neonatal mortality, infectious diseases, and nutrition deficiencies. Policy interventions to tackle these challenges need no reinvention but they need to be more coherent and effective. At the same time, health systems need significant strengthening.
- Greater policy coherence and effectiveness will require the following: assurance that policy interventions of one strategy do not detract from any others; an adequate interface between health policies and budgetary frameworks; careful analysis of the effectiveness of policies before implementing them, that is, considering issues of context, target population, scale and cost, as well as starting conditions; and laying out and implementing an adequate monitoring strategy to detect changes that would prompt reassessment of policies.
- Strengthening the health system in developing countries will demand adequately addressing the shortage of skilled health personnel; building more health facilities while also improving non-health infrastructure (transport, water and sanitation); and positioning the health system as a core social institution that is deeply embedded in the social, political and economic context of local and national settings.
- Investment and operating costs involved in improving the functioning of the health systems will be high. External assistance will be critical for countries that do not have enough domestic resources to finance the spending required. Vertical interventions should continue to be harmonized with the horizontal health system so that the former do not weaken the latter, but instead strengthen it.

## Introduction

**The health of the world's population has improved markedly, exposing some previously overlooked issues**

The health of people in the world has improved markedly since 2000. The world has seen a reduction in under-five, maternal and malaria-related mortality rates and the number of new HIV/AIDS infections, as well as an increase in the number of lives saved through improvements in testing and treatment of tuberculosis. The progress on the most prominent fronts has led other previously overlooked issues to move to the forefront. For example, the reduction of deaths in children under five years of age but older than a month, has brought to light the issue of neonatal mortality, which was overlooked early in the 2000s. This progress has been reflected in the headway that countries have made towards the achievement of the health-related Millennium Development Goals (MDGs) since 2000.

A number of preventive and curative health policy interventions have contributed to this progress and this chapter reviews them and draws lessons from this review. Most of these interventions were developed as part of a long-term process that predates the MDGs. However, Governments in developing countries have used them more vigorously with the aim of making progress towards achieving the health-related MDGs; as noted in chapter III, public social spending has increased in developing countries since the early 2000s. While health interventions have been important in explaining past success, health outcomes have also, to a large extent, been determined by the functioning of the health system. Policy interventions and health systems are connected through feedback relationships.

**Health challenges from the MDGs will continue to feature in the SDGs**

A review of health policy interventions and related lessons as presented in this chapter is important for a number of reasons. Although some individual developing countries have been successful, the health-related MDGs were not met globally by 2015 and there is unfinished business. Health challenges confronted by the MDGs will feature among the health challenges of the 2030 Agenda for Sustainable Development. Diseases such as pneumonia, diarrhoea and malaria alone continue to account for about one third of deaths among children under five; many under-five deaths still occur in children already weakened by undernutrition; and many pregnant women continue to face serious constraints to improve their nutrient intake, especially in low-income countries (United Nations, 2015a; United Nations Children's Fund, 2013b). These challenges are compounded by the urgency of tackling the problem of neonatal deaths. Likewise, it is important to scrutinize the limitations of the health system that have held back the effectiveness of health policy interventions in helping achieve progress towards achieving the health-related MDGs.

The review and examples of health interventions presented in this chapter focus on measures that have proven effective in making headway towards reducing child mortality (MDG 4), improving maternal health (MDG 5), and combating HIV/AIDS, malaria and other diseases (MDG 6). Policies to expand access to safe drinking water and basic sanitation (MDG 7, target C) have also been critical for achieving health-related goals and are under review in chapter V. The review of health policy interventions is followed by a discussion focused on the constraints of health systems and examples of measures that have enabled Governments to overcome them. Broader issues of governance and institutions that also affect health policies—and development policies in general—are discussed in chapter VI. Conclusions and recommended pathways for policies going forward are summarized at the end of the chapter.

**A variety of effective policy interventions have helped to make progress towards achieving the health-related goals**

## Proven health policy interventions

A number of effective, and in most cases affordable, policy interventions have been used by countries nationally and locally to pursue the achievement of health-related goals.

These policies are summarized in table IV.1. They exist as a result of a long-term process that, beginning in the early twentieth century and escalating markedly in the 1950s and subsequent decades, evolved from disease control to more comprehensive and integrated approaches. Accordingly, cost-effective solutions began being combined more with community participation, intersectoral collaboration and incorporation into general health-system delivery (United Nations Children's Fund, 2007).

A wealth of evidence supports that these interventions are effective in preventing and tackling the causes leading to child and maternal deaths as well as other key diseases covered by the MDGs (see Sánchez, Julca and Winkel, 2015b). There are also numerous synergies among the different interventions for health-related goals (table IV.1). The remainder of this section reviews some of the main policies as well as their outcomes and synergies. It also discusses some health spending issues, which turned out to be very important for policy implementation.

### Health spending and resource mobilization

Public health spending in low- and middle-income countries shows a growing trend since the beginning of the new millennium (see figure III.1 in chap. III). Some countries even set concrete spending targets at the regional level in Africa and also at the global level as part of a World Health Organization Initiative (Government Spending Watch, 2013). In many developing countries, health spending by regional and local governments outpaced central government health spending (Fan and Glassman, 2014), which points to the importance of local governments in the implementation of health policies (see chap. VI). These trends of public health spending reflect the increased efforts at both the national and international level that have made a considerable difference in ensuring that the relevant policy interventions are incorporated into prevention and treatment programmes. Although public spending has not increased as much as needed to meet the MDGs (see chap. II), countries with high per capita public health expenditure have tended to perform better in any of the indicators associated with health-related goals (for example, see figure IV.1 on health spending and the infant mortality rate).

An important success of the MDGs has been in mobilizing more funds for health needs, particularly in low-income countries and Africa. Bilateral and multilateral donors as reported by the Organization for Economic Cooperation and Development (OECD) increased their assistance for health-related goals from \$4.1 billion in 1995 to \$23.4 billion in 2013 (figure IV.2). The increased official development assistance for health was part of the reason public health spending has increased.

The increased assistance for health purposes was also associated with the emergence of several vertical funds, dedicated to specific health objectives. The most prominent among these are the Global Fund to Fight Aids, Tuberculosis and Malaria (GFATM), the Global Alliance for Vaccines and Immunization (GAVI), and UNITAID.<sup>1</sup> These are public-private partnerships that raised and disbursed substantial amounts of aid for health, stemming from traditional bilateral aid, private sector and philanthropic sources and innovative financing mechanisms (see chap. VI). They are called vertical funds, because they conceptually divide

**Public spending on health has risen in low- and middle-income countries since the new millennium, generally producing good outcomes**

**Funds for health have also been mobilized through multilateral and bilateral donors and health-related vertical funds**

<sup>1</sup> Other global health initiatives include Advance Market Commitments (AMC) for pneumococcal vaccines, the Affordable Medicines Facility for Malaria and Product (RED) and Debt2health swaps. However, these funds are smaller and their money, including that of UNITAID, was mostly channelled through either GFATM or GAVI (United Nations, 2012).

Table IV.1  
**Health policy interventions for achieving health-related goals**

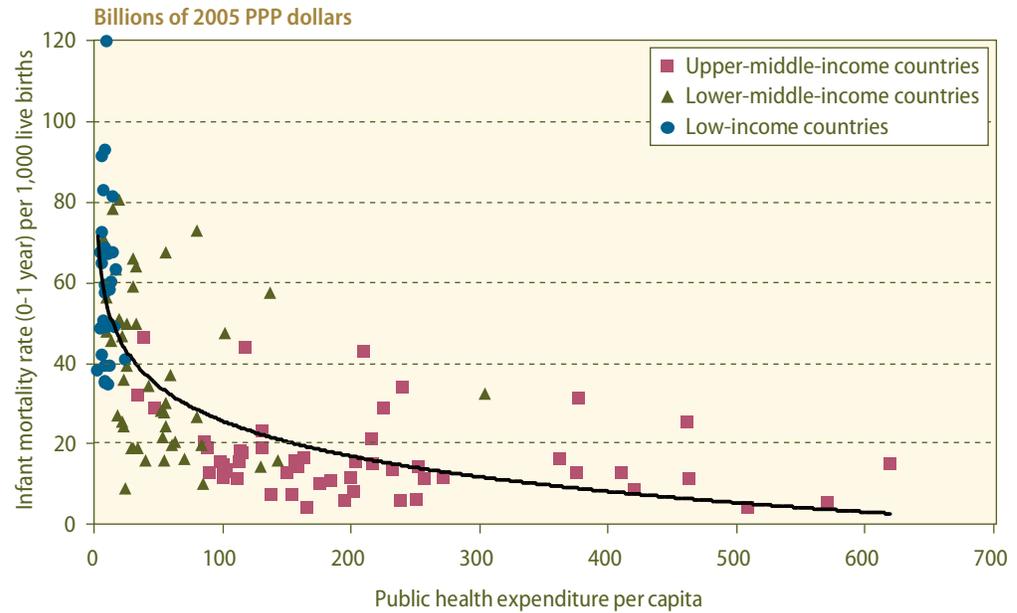
Intervention	Child mortality	Maternal mortality	HIV/AIDS	Malaria	Tuberculosis (TB)
Immunization	Prevents deadly childhood diseases (diarrhoea, pneumonia, measles, TB, etc.)	Improves maternal health, boosts immunity in foetuses and reduces risks of complications			Prevents children from contracting TB
Access to safe water and basic sanitation	Influences nutritional status of children	Influences nutritional status of mothers		Attention to water systems can help to deal with malaria breeding areas	
Early and exclusive breastfeeding	Improves nutritional status of children				
Micronutrient supplementation	Vitamin A (children) and supplements (women of reproductive age(WRA)); improves nutritional status of children	Weekly iron and folic acid supplements (WIFS), multiple micronutrient, balanced-protein energy; improves nutritional status of WRA	Improves nutritional status of people living with HIV		
General nutrition strategies	Prevent stunting	Improve health of both mother and foetus			
Curbing household air pollution	Low-emission biomass chimney stoves and cleaner fuels help prevent pneumonia				Reduces risks of TB
Antibiotic therapy	Oral and parenteral therapies for treatment of severe pneumonia				Related to DOTS
Intravenous fluids and oral rehydration substances (ORS)	Rehydration therapy for treating diarrhoea in infants and older children				
Antenatal check-ups (at least four)	Ensure healthy evolution of pregnancy; help prevent, detect or predict potential complications during pregnancy/childbirth				
Skilled birth attendance	Ensures safe birth delivery and adequate response to complications during childbirth				
Emergency obstetric and newborn care (EmONC)	Ensures adequate response in case of obstetric complications during pregnancy and childbirth				
Maternal waiting homes	Potentially reduce neonatal death rates and complications	Increase skilled birth attendance and improve maternal health			
Delivering family planning information and supplies	Reduces risk of infant and child mortality	Ensures universal access to reproductive health; promotion of contraceptive use is critical	Can help to promote condom use and other methods of preventing STIs		

Table IV.1 (continued)

Intervention	Child mortality	Maternal mortality	HIV/AIDS	Malaria	Tuberculosis (TB)
Anti-retroviral therapy (ART)	Reduces the likelihood of mother-to-child transmission	Effective for treatment and can help to prevent transmission	Effective for treatment and can help to prevent transmission		Reduces the likelihood of developing TB
Voluntary medical male circumcision (VMMC)			Reduces the likelihood of infection for men		
Pre-exposure antiretroviral prophylaxis			Reduces the likelihood of infection for men who have sex with men and those who inject drugs		
HIV/AIDS awareness programmes			Reduces transmission rates and improves use of health services related to treatment		
Voluntary counselling and testing (VCT)			Improves awareness about HIV/AIDS status and increases treatment uptake		
Drop-in and wellness centres			Raise HIV awareness status and treatment of hard-to-reach populations	Can aid in treatment of hard-to-reach populations	Can aid in treatment of hard-to-reach populations
Free distribution of insecticide-treated bed nets (ITNs)	Reduces the likelihood of contracting malaria for children	Reduces the likelihood of contracting malaria for pregnant women		Limits (and eliminates) the spread of malaria	
Indoor residual insecticide spraying (IRS)	Reduces the likelihood of contracting malaria for children	Reduces the likelihood of contracting malaria for pregnant women		Limits (and eliminates) the spread of malaria	
Intermittent preventive therapy in pregnancy (IPTp)	Prevents malaria during pregnancy	Reduces the likelihood of contracting malaria for pregnant women			
Rapid treatment of fevers in young children including rapid diagnostic tests (RDTs)	Reduces the likelihood of contracting malaria for children; reduces the rates of over-prescription			Reduces the likelihood of contracting malaria for children; reduces the rates of over-prescription	
Artemisinin-based combination therapies (ACTs)				First-line treatment for uncomplicated <i>P. falciparum</i> malaria	
Directly Observed Treatment Scheme (DOTS)					Helps detect cases and stops TB

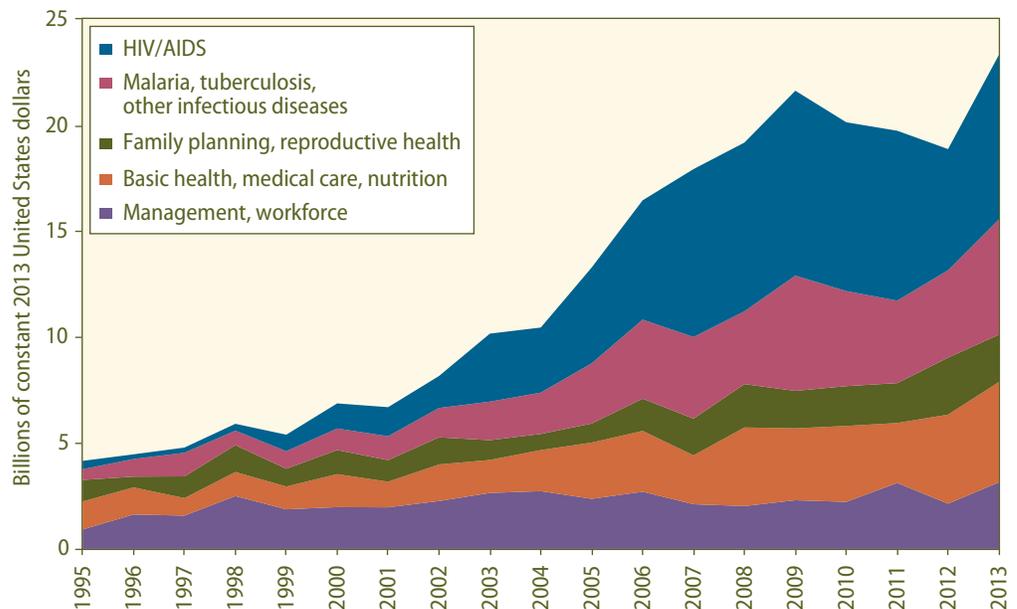
Source: UN/DESA, based on a survey of studies presented in Sánchez, Julca and Winkel (2015b).

**Figure IV.1**  
Public health spending per capita and infant mortality in low- and middle-income countries, 2011



Source: UN/DESA, based on World Bank, World Development Indicators for public health expenditure and United Nations MDG Database for the infant mortality rate.

**Figure IV.2**  
Total ODA to health from all donors reporting to OECD, 1995–2013



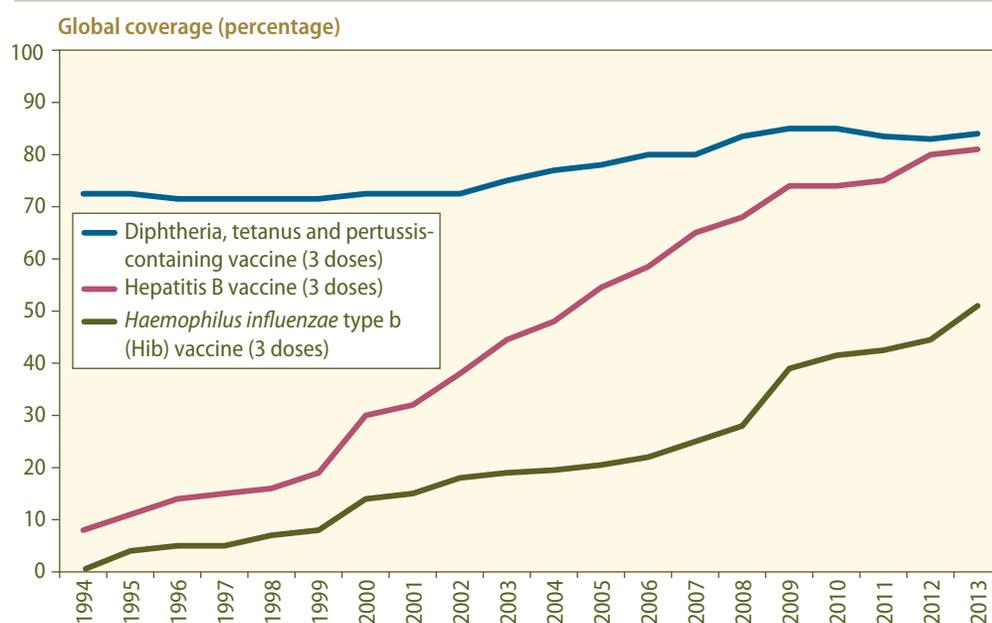
Source: OECD StatExtracts, available from <http://stats.oecd.org/index.aspx?datasetcode=CRS1> (accessed 8 April 2015).

health care into vertical (rather than horizontal) “slices” by level of care, and because they focus their interventions predominantly on a few specific diseases. The health interventions financed in part by these vertical health funds had significant positive impact; notably, there has been a marked increase in global immunization rates (figure IV.3).

The aid channelled through GFATM, GAVI and other sources, however, accounted for a small portion of the overall expenditure on health in most developing countries. It is mostly in countries in sub-Saharan Africa that they constituted a sizable part of overall health spending (United Nations, 2012). At the same time, vertical health funds, owing to their narrow focus on particular diseases, led to some distortion of health priorities for many countries (MacKellar, 2005). As can be inferred from figure IV.2, HIV/AIDS accounted for almost half of the total increase in aid for health between 2002 and 2009. Spending increases for malaria, the health workforce, basic health and medical care, and reproductive health each account for roughly 10 per cent of the increase. Overall, 33.3 per cent of aid for health went to HIV/AIDS in 2013 (from almost 41 per cent in 2011).

Measured in disability-adjusted life years (DALYs),<sup>2</sup> HIV/AIDS, tuberculosis and malaria account for 5.2 per cent, 2.7 per cent, and 4 per cent of the total disease burden in low-income countries, respectively (World Health Organization, 2008). In comparison, diarrhoea alone represents 7.2 per cent of DALYs, and perinatal and maternal conditions account for 14.8 per cent. In other words, vertical funds have not been allocated to tackle the most important global health concerns. Similarly, vertical health funds ignored non-communicable diseases, although they represent almost a third of the disease burden in developing countries (Nugent and Feigl, 2010). Some of the unwarranted effects of the

Figure IV.3  
Progress in global immunization rates, 1994–2013



Source: World Health Organization (2014a).

<sup>2</sup> Disability-adjusted life years (DALYs) takes into account both premature death and disability caused by disease.

vertical funds (e.g., distortion of health priorities and operation outside national health systems) have been recognized by the vertical funds themselves, prompting them to devote certain parts of their funds to supporting national health systems (United Nations, 2012).

### Interventions to reduce child mortality

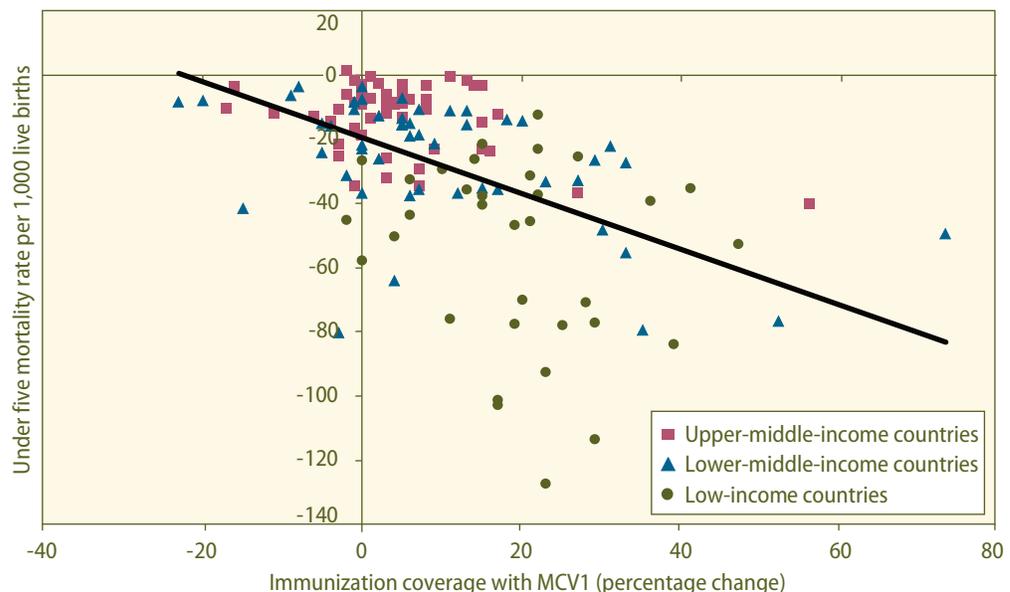
The increased allocation of resources for the health sector has made it possible to implement key interventions for reducing child mortality, including immunization, programmes that improve nutrition, measures to curb ambient and household air pollution, and antibiotic and rehydration therapies to treat pneumonia and diarrhoea. Interventions for meeting other health-related goals are also critical for averting child deaths and engaging multiple sectors outside health (Kuruvilla and others, 2014).

**Immunization substantially reduces child mortality, but still does not reach many of the poorest and most marginalized children**

A wealth of evidence shows that immunization substantially reduces the burden and number of deaths caused by deadly childhood diseases such as diarrhoea, pneumonia and measles (see Sánchez, Julca and Winkel, 2015b, for a review of the medical literature). Countries that have increased coverage with the measles-containing vaccine (MCV1) have, by and large, witnessed reductions in child mortality (figure IV.4). The benefits seem to be more concentrated in a number of lower-middle- and low-income countries. Because of their cost-effectiveness, immunization programmes have received increasing funding from bilateral donors through GAVI, as noted.

However, it is problematic that immunization still does not reach many children that reside in the poorest, most marginalized populations. Some efforts have succeeded in overcoming the barriers to expanding immunization to underserved, hard-to-reach populations. National immunization days (NIDs), for example, proved very successful over the years in helping to reduce and, in some cases, eradicate polio in a number of countries.

Figure IV.4  
Child mortality and coverage with measles-containing vaccine (MCV1) in low- and middle-income countries, absolute change between 2000 and 2012



Source: UN/DESA, based on United Nations MDG Database.

NIDs are effective because they allow for both massive outreach and economies of scale—for example, when skilled professionals supervise a team of volunteers, especially for oral polio vaccine.

The importance of strengthening immunization delivery at the district level has been underscored, including through identifying and solving local issues, organizing regular outreach vaccine delivery services, and involving communities to ensure adequate functioning of immunization services (World Health Organization, United Nations Children's Fund and World Bank, 2009). Another strategy is integrated child health events which combine immunization activities with other services provided by the health system. In this case, any contact that a health worker has with a child or mother at a health facility becomes an opportunity to check immunization status and, if need be, to administer vaccines.

The reduction in child mortality observed over the past 40 years has been negatively correlated with undernourishment (Iqbal and Kiendrebeogo, 2014). The nutritional status of children is directly influenced by food, but there are also other important determinants: the provision of adequate general health services; a healthy environment with access to safe water and basic sanitation; good hygiene; early and exclusive breastfeeding, among other appropriate maternal care practices; and micronutrient supplementation (see Sánchez, Julca and Winkel, 2015b, for an extended review of evidence for all of these factors). The increased availability of clean drinking water and sanitation (see chapter V) has also been shown to help prevent infections and diarrhoea, thus leading to better nutritional outcomes for a given nutrition supply (Charmarbagwala and others, 2004).

Many countries have increased their rates of exclusive breastfeeding through legislative changes, distribution of breastfeeding-related training materials to paediatricians, establishment of mother-baby lactation centres, and significant efforts to improve awareness through outreach campaigns via a variety of media sources (United Nations Children's Fund, 2013a). Combining facility-based services with community participation has proven to work by reaching targeted children that most need micronutrients such as vitamin A and zinc. The participation of female community health volunteers (Nepal) and efforts to fill vacancies of supervisors and front-line workers as well as boosting their skills and improving their motivation (Maharashtra, India) are measures taken by programmes succeeding in increasing the coverage of vitamin A (ibid.). Integrated child health events such as NIDs have also helped to support high coverage of vitamin A supplementation in Nepal, Nigeria, Zimbabwe, and a number of other LDCs (United Nations Children's Fund, 2007).

Air pollution is a concern in a number of developing countries as this causes deadly respiratory diseases such as pneumonia; fortunately, it is preventable. A study by Niessen and others (2009) for 40 developing countries, which accounted for 90 per cent of pneumonia child deaths, finds that the use of low-emission biomass chimney stoves and cleaner fuels are cost-effective and can lower pneumonia incidence by 50 per cent (the attributed burden for indoor air pollution). The concern is that chimney stoves may not completely eliminate indoor pollution if there is substantial leakage into the room with some smoke returning into the house from outside (Smith, 2006; Smith and others, 2011). The use of stove or fuel interventions producing lower average exposures than chimney stoves (e.g., improved smokeless stove) needs to be expanded in countries where populations are heavily exposed to biomass fuel air pollution. The cost of investing in cleaner fuels or new stoves could be offset by spillover effects such as the time saved looking for firewood or other biomass fuels.

In the event of disease, treatment becomes a necessity. Both oral and parenteral antibiotic therapies are cost-effective and safe in the treatment of severe pneumonia in

**District level immunization delivery and integrating immunization with other health services have proven effective for reaching underserved populations**

**Reducing indoor air pollution through the use of better stoves and cleaner fuels helps lower childhood pneumonia deaths**

**More efforts are needed to treat pneumonia when it occurs and to expand the use of oral rehydration substances to treat diarrhoea**

children (Rojas-Reyes and Granados Rugeles, 2009; Wardlaw and others, 2006). Only one third of children with pneumonia received the antibiotics they needed by late 2014 (World Health Organization, 2015). Wardlaw and others (2006) identify various factors preventing the expansion of the coverage of antibiotic interventions, which developing countries would need to address going forward. In particular, large-scale implementation of antibiotic treatment is still viewed as costly because of the weak health systems and poor supply and logistic chains. Concerns have also been raised about the low technical level of community health workers administering antibiotics to children with pneumonia. Lastly, although there have been efforts to include community-based approaches, these programmes have often been small-scale and fragmented, with the community and health-facility components not adequately integrated.

Rehydration therapy with intravenous fluids or oral rehydration substances (ORS) is the critical intervention to treat diarrhoea. ORS is among the most cost-effective interventions in treating diarrhoea. Countries adopted the MDGs at a time when programmes earmarked to control diarrhoeal diseases through oral rehydration therapy (ORT) and other key interventions had already resulted in important reductions in the number of deaths attributable to diarrhoea among children under five (Victora and others, 2000). Even so, not all children in the developing world with a diarrhoeal disease receive the appropriate treatment. Measures to overcome the constraints to expanding ORT to treat diarrhoea should add to those seeking to expand the coverage of antibiotic interventions against pneumonia going forward.

### Interventions to improve maternal health

There has been progress in maternal health at the global level. While many developing countries could not achieve the 75 per cent reduction needed (globally) between 1990 and 2015 to meet the maternal mortality target of MDG 5, maternal death is a rare event in a number of other developing countries. The interventions contributing to this progress include those that have improved maternal nutrition, promoted attendance to antenatal check-ups, and integrated family planning and reproductive health in policymaking. Delivering these interventions in a timely and adequate manner has required a well-functioning health system and interventions at the community level (see the section on strengthening of the health system). Social protection policies and efforts that improve education outcomes and address gender inequality issues have also been important to maternal health, as noted in chapter III.

The interventions include the provision of weekly iron and folic acid supplements (WIFS), multiple micronutrient supplementation and balanced-protein energy supplementation to women of reproductive age (WRA), all of which contribute to better health outcomes for both mothers and newborns. They can especially reduce the risk of anaemia during pregnancy, although their impact largely depends on the method of service delivery. A review of 8 of 10 WIFS programmes in 6 different developing countries reports that in many instances the traditional approach of accessing non-pregnant WRA and adolescent girls through health clinics proved unfeasible. WIFS were more successfully introduced through institutions such as schools or factories and by mobilizing women's unions or community groups (World Health Organization, 2011). Yet, programmes like these will only succeed in having an impact if they are expanded to cover women on a universal basis. A national nutritional anaemia-control programme targeting adolescent girls in Maharashtra (India), for example, performed poorly in urban slum areas because

**Weekly iron and folic acid supplements help to produce better outcomes for both mothers and newborns**

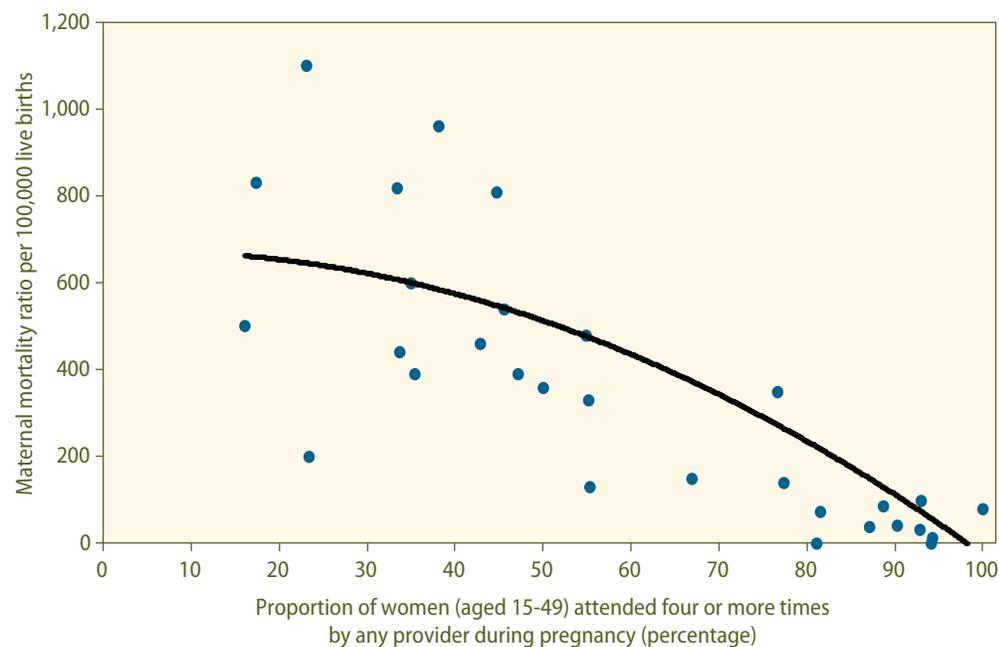
coverage was not universal; the programme was more focused on tribal and rural areas (Deshmukh, Garg and Bharambe, 2008). Following the logic of “integrated child health events” can be useful in ensuring that any contact that a health-care worker has with a pregnant woman also serves to check her nutritional condition and, if need be, administer the required supplements.

The World Health Organization (WHO) also recommends a minimum of four antenatal care visits to ensure the well-being of mothers and newborns; when this minimum is reached or surpassed, countries tend to have lower maternal mortality rates (figure IV.5). However, only 52 per cent of pregnant women had the recommended number (or more) of antenatal care visits during pregnancy in 2014, although this was an increase from just 35 per cent in 1990 (United Nations, 2015a).

**Because antenatal care visits are indispensable for the well-being of mothers and newborns, it is important to track attendance and monitor mothers**

Figure IV.5

**Maternal mortality and proportion of women receiving four or more antenatal check-ups in low- and middle-income countries, 2010**



Source: UN/DESA, based on United Nations MDG Database.

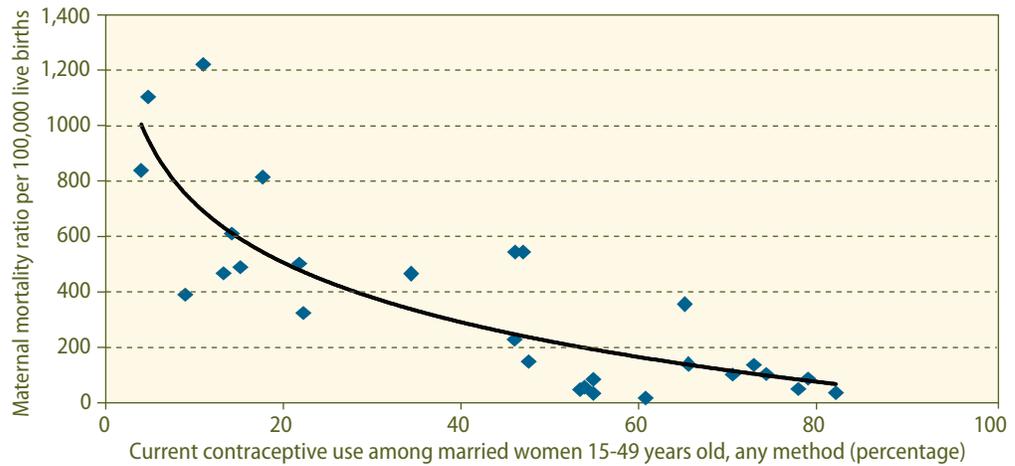
Access to antenatal care is seriously constrained by inadequate health infrastructure in many developing countries and this inadequacy will take a long time to be resolved (see the section on strengthening of the health system). Additional solutions need to be implemented in the meantime, taking advantage of the fact that most women innately worry about the progress of their pregnancy. It has been found that attendance to antenatal care increased in countries such as Kenya and the United Republic of Tanzania with the use of an antenatal attendance card. Such cards facilitate prompt care in case of complications later in the pregnancy or ensure that women can attend a health facility to deliver (Pell and others, 2013; Mrisho and others, 2009). The existence of adequate monitoring systems and the integration of maternal and child health care are indispensable for engaging women in antenatal care. An effective measure has been the move from using manual records to

IT-based mother and child programmes. Along these lines, a programme in Oman, for example, resulted in impressive reductions of maternal and child mortality; the United Nations awarded and distinguished the programme as one of the two best innovative practices in public governance in 2013 (see Sánchez, Julca and Winkel, 2015b, box 4; United Nations, 2014b).

**Access to universal reproductive health has many benefits, including prevention of unintended and high-risk pregnancies and maternal deaths**

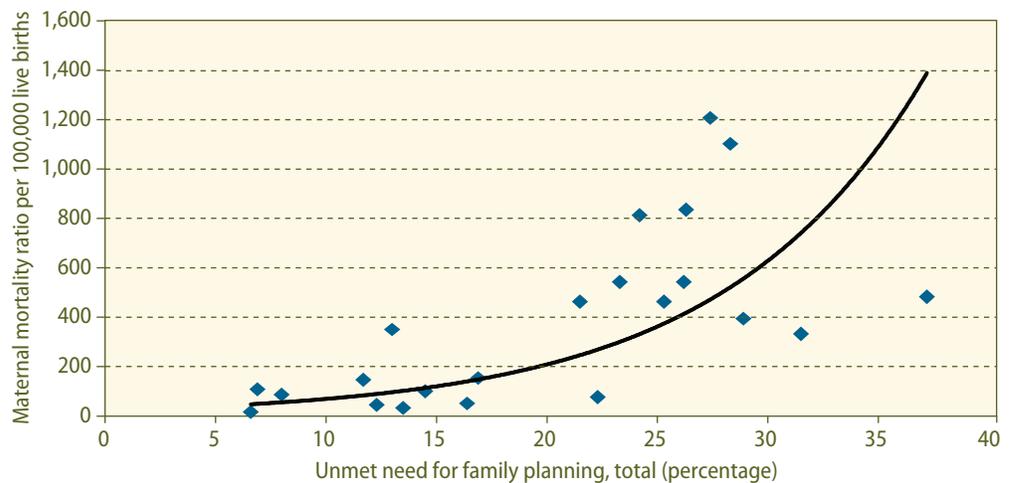
Universal access to reproductive health is also critical and was incorporated as part of MDG 5 in 2005. Targets on contraceptive use, unmet need for family planning and the adolescent birth rate were adopted in 2007. There has been progress with regard to these targets across developing regions, with those countries making most headway by 2010 showing lower mortality rates (figures IV.6 to IV.8). A wealth of research reviewed in Sánchez, Julca and Winkel (2015b) supports these correlations.

Figure IV.6  
Maternal mortality and contraceptive use in low- and middle-income countries, 2010



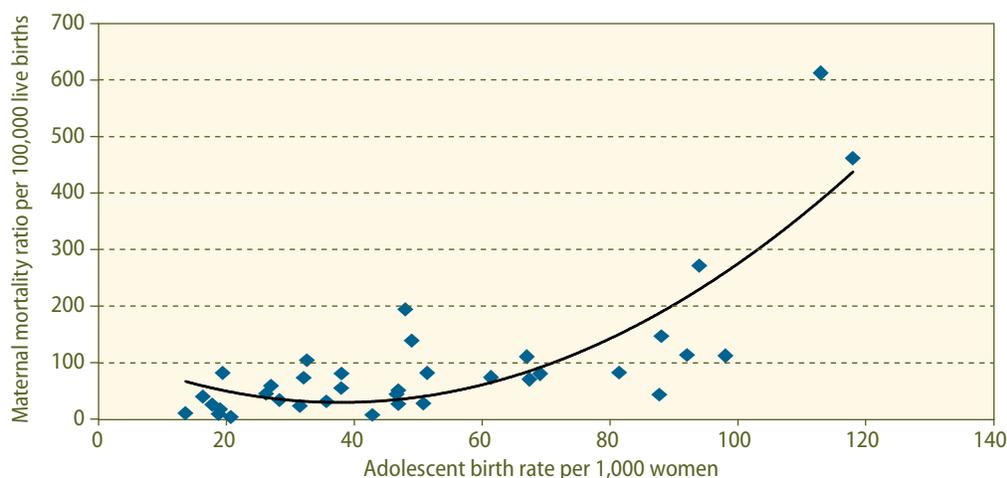
Source: UN/DESA, based on United Nations MDG Database.

Figure IV.7  
Maternal mortality and unmet need for family planning in low- and middle-income countries, 2010



Source: UN/DESA, based on United Nations MDG Database.

Figure IV.8  
**Maternal mortality and adolescent birth rates in low- and middle-income countries, 2010**



Source: UN/DESA, based on United Nations MDG Database.

The benefits start with the prevention of unintended and high-risk pregnancies. Subsequently, evidence shows that providing universal access to sexual and reproductive health and reducing fertility rates increases parents' chances of escaping poverty; allows families to invest more in their children's nutrition, health, and education; and boosts incomes because of life cycle, distributional and intergenerational benefits (Sánchez, Julca and Winkel, 2015b; United Nations, Department of Economic and Social Affairs, 2014b). The prevention of early childbearing is critical to avoiding child malnutrition, missed opportunities at school and work, the consequent intergenerational transmission of inequality and poverty, and the forestalling of social mobility, as a vast amount of evidence regarding developing countries demonstrates (*ibid.*).

Higher levels of contraceptive use in areas in Bangladesh, for example, led to lower levels of unintended pregnancy and thereby lower levels of abortion and maternal mortality (Rahman, DaVanzo and Razzaque, 2001). The Lady Health Workers initiative in Pakistan has trained women to deliver services related to maternal and child health, including family planning information and supplies. This initiative raised contraceptive use by rural women by almost 50 per cent and an evaluation found that doorstep delivery of contraceptives is central to achieving universal access to modern contraceptive methods in remote areas (Singh and others, 2009). Colombia has also had success with promotion of family planning services over a long period in a combined effort between the Ministry of Health and the non-governmental organization (NGO) Profamilia. They were able to raise contraceptive use among married women from about 20 to 78 per cent between 1969 and 2007 (*ibid.*).

### Maternal, newborn and childcare strategies

The reduction of deaths in children under five years of age but older than a month has exposed the issue of neonatal mortality—that is, deaths of newborns occurring in the first 28 days of life. Globally, the proportion of deaths occurring in the first 28 days of life in under-five mortality increased from 37 to 44 per cent between 1990 and 2012.

**The increase in neonatal mortality points to the importance of improving family planning and maternal health services**

The causes of neonatal deaths are different from the causes in later childhood and are in most cases preventable.<sup>3</sup> The best possible strategy for reducing them is through greater investment in family planning services and maternal health, not only before and during pregnancy, but also at the time of labour and delivery as well as the first 24 hours after birth. This in turn requires larger investments to improve health systems (see the section on strengthening of the health system). Furthermore, a number of preventive strategies and measures that focus on postnatal care can help to increase newborn survival rates (table IV.2), but these need to feature more prominently in the health efforts going forward. According to data from WHO (as of May 2012), only 13 per cent of women received postnatal care in the first 24 hours in those developing countries where home births are very common. Moreover, many mothers who give birth in health facilities cannot return for postnatal care because of financial, social or other barriers.

Because of the importance of reducing neonatal mortality and the type of preventive strategies and measures available to increase newborn survival rates, maternal health and child health have become more closely intertwined. Cost-effective health-care solutions

Table IV.2

**Preventive strategies and measures to increase newborn survival rates**

Target group	Strategy	Measures
All newborns	Home visits by a skilled health worker immediately after birth (on days one and three, and if possible, on day seven)	<ul style="list-style-type: none"> <li>Promote and support early and exclusive breastfeeding</li> <li>Keep the newborn warm; promote skin-to-skin contact between mother and infant</li> <li>Promote hygienic umbilical cord and skin care</li> <li>Assess the baby for signs of health problems; advise families to seek prompt medical care if necessary</li> <li>Encourage birth registration and timely vaccination according to national schedules</li> <li>Identify/support newborns that need additional care (see other target groups)</li> <li>If feasible, provide home treatment for local infections and some feeding problems</li> </ul>
Low-birth-weight babies	Home visits by a skilled health worker immediately after birth; in some cases, referral to a hospital	<ul style="list-style-type: none"> <li>Increased attention to keeping the newborn warm</li> <li>Immediate assistance with initiation of breastfeeding; if a baby is unable to accept feeding from a cup, then refer to a hospital</li> <li>Extra attention to hygiene, especially washing of hands</li> <li>Extra attention to health danger signs and the need for care</li> <li>Additional support for breastfeeding and monitoring growth</li> </ul>
Newborns with severe illness	Referral to a hospital and skilled health worker attendance	<ul style="list-style-type: none"> <li>Help families to locate a hospital or facility where the baby can be cared for</li> <li>Treatment for infections (e.g., with antibiotic injections) by a nurse, doctor or skilled health worker</li> </ul>
Newborns of HIV-infected mothers	Home/community/hospital interventions	<ul style="list-style-type: none"> <li>Preventive antiretroviral therapy for mothers and newborns</li> <li>HIV testing and care for exposed infants</li> <li>Counselling and support to mothers for infant feeding</li> </ul>

Source: UN/DESA, based on World Health Organization (2012).

<sup>3</sup> WHO identifies four major causes that account for nearly 80 per cent of deaths within the first 28 days of life: prematurity and low birth weight, infections (not necessarily similar as those affecting older children), asphyxia (lack of oxygen at birth) and birth trauma. For more details, see World Health Organization (2012).

have been combined as part of maternal, newborn and child health (MNCH) strategies. The core principle of these efforts is lifelong access to health care, which takes a “continuum of care” approach for the mother starting from long before pregnancy (during childhood and adolescence) through pregnancy and childbirth. The continuum begins again with adequate newborn care for the new life. As appropriate, care can be delivered in the home and community, as well as health clinics and hospitals.

MNCH strategies have been implemented in a number of developing countries (World Health Organization, United Nations Population Fund, United Nations Children’s Fund and World Bank, 2010). The countdown to the 2015 composite coverage index, which measures coverage by eight maternal- and newborn-related interventions along the continuum of care, shows a strong correlation between countries with higher levels of interventions and lower rates of child mortality (United Nations Children’s Fund and World Health Organization, 2014). Nonetheless, the increased coverage of the interventions varies dramatically across countries and also across wealth quintiles within countries. Even so, additional investments of merely US\$ 5 per person per year addressing women’s and children’s health (including interventions for MDG 6) have been projected to potentially yield high rates of return, producing up to nine times the economic and social benefit by 2035 in 74 countries that carry 95 per cent of the global maternal and child mortality burden (Steinberg and others, 2014).

**Integrated maternal, newborn and child health strategies have proven effective in reducing child mortality, but more investment is needed**

## HIV/AIDS, malaria and other diseases

Efforts to combat HIV/AIDS, malaria, tuberculosis (TB) and other diseases predate the MDGs but have resulted in faster progress towards eradicating these diseases since these goals were adopted. They have involved significant collaborations among international organizations and donors (included through aid and vertical funds as noted earlier), national and local governments as well as NGOs and community organizations. There are generally accepted successful treatment and prevention regimes to combat these diseases that, going forward, need to be scaled up in some countries.

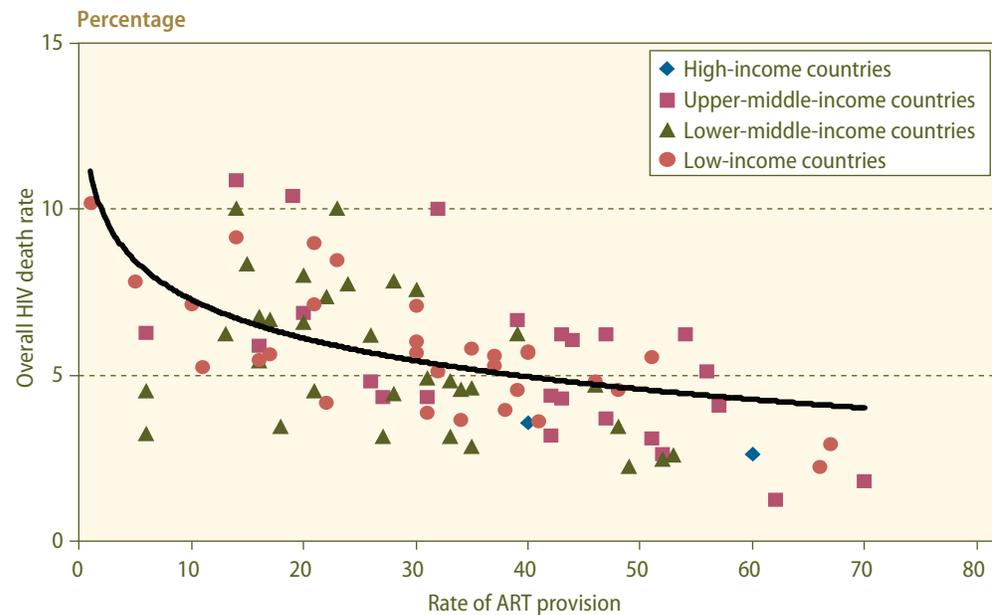
### *HIV/AIDS*

Three of the most relevant interventions to combat HIV/AIDS are antiretroviral therapy (ART), voluntary medical male circumcision (VMMC), and pre-exposure antiretroviral prophylaxis. It has been shown that the risk of transmission can be reduced using these three interventions by 96 per cent, over 60 per cent for the first two interventions, by more than 40 per cent among men who have sex with men, and by 49 per cent among people who inject drugs for the pre-exposure antiretroviral prophylaxis (UNAIDS, 2013). The effectiveness of these measures has relied extensively on their integration into a number of programmes, starting with those aimed at raising awareness about HIV/AIDS.

Irrespective of their income level, countries with higher rates of ART provision have seen a correlation with lower death rates from HIV towards the end of the 2000-2015 period (figure IV.9). The provision of ART has been expanded across a wide variety of countries, particularly those in sub-Saharan Africa, as a result of some reductions in costs related to the therapy. However, there are still significant issues with access to ART in a number of countries. In Botswana and Malawi, for example, the provision of low- or no-cost ART treatments comes as a result of subsidization by Governments or international organizations (UNAIDS, 2014). Zambia began distributing free ART drugs as early as 2005 and made

**Provision of antiretroviral therapy has expanded significantly and is correlated with lower HIV death rates**

Figure IV.9  
Rates of ART provision and overall HIV-related death across countries, 2013



Source: UN/DESA, based on data from WHO's Global Health Observatory (GHO).

**There are other useful policy interventions to combat HIV/AIDS but awareness needs to be raised for them to be more effective**

steps to decentralize drug distribution to the district level in order to improve coverage. The country also instituted programmes to provide ART at all provincial hospitals for further coverage expansion (Sánchez, Julca and Winkel, 2015b).

A significant number of sub-Saharan African countries have undertaken large-scale VMMC programmes to ensure that this procedure is available in addition to increasing the number of procedures performed (UNAIDS, 2014; Njeuhmeli and others, 2011). The procedure is cost-effective but there are still a significant number of men who do not have access to it (UNAIDS, 2013). The other important intervention—pre-exposure antiretroviral prophylaxis for men who have sex with men and those who inject drugs—still has relatively limited application. While the cost of required drugs makes this intervention somewhat more rare, the relative effectiveness rates as well as the existing medical infrastructure for distribution of ART-related medicines makes it worth expanding this strategy further.

In order for these three policy interventions to be effective, it is necessary to raise awareness about HIV/AIDS, its transmission vectors, testing procedures and their availability, treatment options and prevention methods. Awareness starts at the top of the political leadership when it comes to HIV/AIDS. For example, the United Republic of Tanzania and Zambia have encouraged policymakers and political and community leaders to initiate discussions about the disease. Zambia established a cabinet committee devoted to HIV/AIDS and in Malawi, the President is also the Minister responsible for HIV/AIDS (Sánchez, Julca and Winkel, 2015b).

Important interventions to reduce the risky behaviour that can lead to HIV transmission among youth, and to boost the use of preventative measures such as condoms, include school-based sex education initiatives with proper teacher training, mass media campaigns and accessible information sources (ibid.). Some successful initiatives include radio and TV programmes (Botswana); nationwide prevention campaigns through the inclusion of community figures (Burkina Faso); marketing of condoms by community

organizations (Central African Republic); peer-led education seminars and interventions for migrant populations (Lao People's Democratic Republic); and national call centres (India, Nigeria, the Philippines and South Africa). There have also been special efforts to involve men in various processes, such as prevention of mother-to-child transmission (PMTCT) as well as issues of reproductive and sexual health and gender-based violence in the context of HIV (Nigeria and South Africa). In some cases (the United Republic of Tanzania) the awareness campaigns have been combined with testing for HIV, resembling the logic of "integrated health events". Some of these initiatives have increased testing coverage rates for not only HIV, but also for reproductive issues and for TB.

In general, free voluntary counselling and testing (VCT) has proven to be a valuable method of reaching potentially affected populations and raising awareness with regard to prevention and treatment of HIV/AIDS. Sánchez, Julca and Winkel (2015b) review a number of recent country progress reports by UNAIDS and Governments on different AIDS programmes and identify interesting interventions. Proper testing of pregnant women to determine their HIV status is also the first step of PMTCT. There have been moves to integrate testing into standard clinical practice, which has led to an increase in provider initiated counselling and testing (PITC), whereby HIV related interventions are often done automatically as part of other health services or as part of general check-ups. South Africa and Uganda have noted this as a successful factor in their anti-HIV efforts. Automatic testing initiated by the United Republic of Tanzania has also been an important factor in their HIV/AIDS programmes. VCT has been integrated into programmes for PMTCT and early infant diagnosis (EID) in Uganda as well. PMTCT initiatives are particularly important due to their synergies with child mortality and their ties with ART programmes. In Zambia, a programme to improve coverage of EID through distribution of test results via text message has been successful in expanding coverage, particularly among rural populations. The programme has also helped to improve postnatal follow-up care through appointment reminders.

Tailoring the interventions to the affected populations is also another necessary factor in limiting the spread of HIV and helping those with the disease to more adequately live a longer life. An example of this is the development of drop-in centres for testing, counselling, treatment and other HIV/AIDS and sexually transmitted infection (STI) related medical interventions. Wellness centres operated along the transport corridor between six East and South African countries are aimed at reaching sex workers, migrant labourers, and those involved in long-haul transportation. The centres also provide treatment for regular medical issues that these populations might encounter alongside HIV testing, which has helped to reduce stigma associated with the testing centres (United Nations Development Group, 2010). Similar centres have been operated since 1999 in the Lao People's Democratic Republic and are targeted towards similar populations with the addition of specific programmes for transgender individuals (Sánchez, Julca and Winkel, 2015b). India has taken important steps to address issues of transgender people, including ensuring high rates of coverage of prevention services and HIV testing services. In addition, India and Nepal have issued court rulings that recognize transgender people as a third gender and instructed the Government to formulate special programmes to support their needs (UNAIDS, 2014).

Another important vector of prevention is the appropriate treatment of users of injectable drugs, who have a high prevalence of HIV/AIDS relative to the rest of the population in many developing countries. There are interesting country examples with regard to this issue (ibid.). Bangladesh is one of the few countries that have the necessary

**Voluntary counselling and testing is a valuable way of raising awareness and reaching potentially affected populations**

**Programmes and laws to support those living with HIV/AIDS will be more important as the death rate has fallen**

programmes that meet the recommended availability of needles and syringes per user of injectable drugs. In Nepal, combined harm reduction therapy approaches have significantly reduced HIV prevalence in Kathmandu, while China has vastly expanded the availability of opioid substitution therapy, an important aspect of harm reduction therapy.

As the death rate from HIV/AIDS has fallen, it has become more important for countries to put in place programmes that provide services and support for people living with the disease. Legal empowerment and education of people living with HIV (PLWH) along with community efforts have been important for reducing discrimination through a variety of programmes. These programmes include legal clinics in Kyrgyzstan, PLWH associations in Yemen, and the use of traditional leaders to work to combat the stigma attached to PLWH in Zambia (Sánchez, Julca and Winkel, 2015b). In a similar vein, the Bar Hostess Empowerment programme in Kenya was developed to train local sex workers as paralegals, including learning about local and national laws and educating other sex workers about their rights (UNAIDS, 2014). A collaborative programme involving Australia, the Lao People's Democratic Republic and Thailand has undertaken nutritional assessments of PLWH, combined education and counselling as well as capacity development for HIV-related service providers (the Lao People's Democratic Republic) for both nutrition and general HIV related procedures. These programmes resulted in better nutritional status of PLWH as well as raising overall HIV testing rates (Sánchez, Julca and Winkel, 2015b). Ecuador has introduced social protection measures to mitigate the negative effects of HIV/AIDS such as a cash transfer programme targeting caregivers of children under 14 with HIV/AIDS (UNAIDS, 2014)—which again corroborates the complementarity of social assistance programmes and health policies.

### *Malaria*

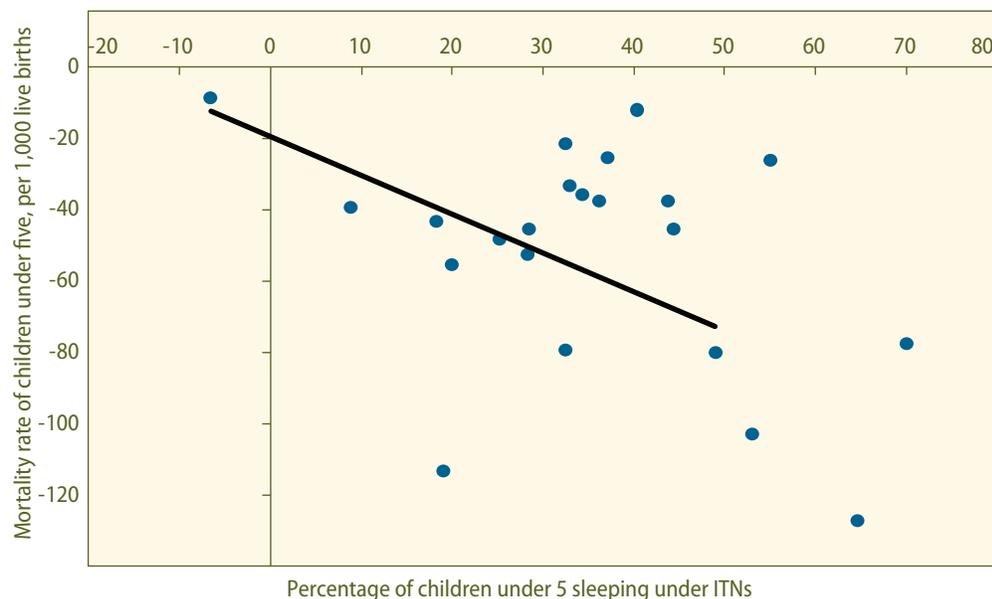
Malaria remains a serious issue for many developing countries and resulted in over half a million deaths in 2013 (World Health Organization, 2014b). There are a number of recommended interventions for combating, treating and preventing malaria that are agreed on by WHO: free distribution of insecticide-treated bed nets (ITNs), indoor residual insecticide spraying (IRS), and intermittent preventive therapy in pregnancy (IPTp). Rapid treatment of fevers in young children including rapid diagnostic tests (RDTs) is also recommended for both prevention and treatment. Artemisinin-based combination therapies (ACTs) have become the first-line treatment for uncomplicated *P. falciparum* malaria. Most country programmes are based on various ways of ensuring that these interventions are carried out successfully and reach the objective populations.

**Insecticide-treated bed nets and indoor residual insecticide spraying have helped reduce malaria rates...**

Malaria-affected countries with an increased percentage of children under five sleeping under ITNs have seen important reductions in child mortality (figure IV.10) (Demombynes and Trommerlova, 2012; Lim and others, 2011). IRS is another strategy that has proven effective in limiting (if not eliminating) the spread of malaria in many communities and regions (Pluess and others, 2010). A combination strategy of IRS and ITN use has been found to provide extra protection and should be implemented in high-risk areas (Hamel and others, 2011). The use of RDTs for children under five is important as it could reduce the rates of over-prescription and lead to better treatment outcomes (Mukanga and others, 2012). Their use has greatly expanded (World Health Organization, 2013a) and could potentially help in the treatment of other illnesses when malaria is ruled out (World Health Organization, 2013b).

Figure IV.10

### Child mortality and children under five sleeping under ITNs in malaria-affected countries, absolute change between 2000 and 2012



Source: UN/DESA, based on United Nations MDG Database.

Note: For the percentage of children under five sleeping under ITNs, data refer to the most recent year available for 1999-2001 and 2009-2012, focusing on malaria-affected countries.

As part of efforts to reduce the death rate from malaria, the use of ACTs has proven to be particularly effective in many regions, although some countries in East Asia have seen a rise in resistance to ACTs by certain strains of malaria, which could be problematic for the future. Another issue is that there is limited data on progress for a number of countries for indicators such as malaria deaths or children under five with fevers who are being treated with malaria drugs. This is a particular issue for some of the countries with the most serious burdens. The Ebola epidemic in West Africa has also been a significant setback on malaria control efforts as resources have been understandably diverted towards more pressing needs (Hayden, 2014).

Some examples of countries where various programmes have been implemented include Sudan, which enacted a National Malaria Prevention and Control Programme that significantly increased the number of patients receiving ACT, provided free diagnosis and treatment of severe malaria (supported by GFATM), and expanded access to malaria services through an expansion of the number of health facilities. To deal with malaria transmission vectors, there were also ITN distribution programmes, changes to irrigation projects designed to combat mosquito breeding grounds and spraying of residential areas with insecticide (United Nations Development Group, 2010). In Ethiopia and Senegal, there have been significant ITN distribution, IRS programmes and important increases in malaria diagnostic testing (United States Agency for International Development, 2014). In Rwanda, the National Malaria Control Programme, whose main interventions have targeted distribution of ITNs, behaviour change, communication and improvements in treatment, has led to a significant reduction in deaths from malaria (Rwanda, Ministry of Health, 2008). In this case, regular large-scale ITN distribution campaigns have been combined with existing vaccination campaigns and antenatal care programmes. Indonesia also integrated malaria treatment and prevention programmes into maternal and child health

**...while Artemisinin-based combination therapies have become the first-line treatment for many cases**

services, which included ITN distribution (United Nations Development Group, 2010). Zambia has also implemented malaria prevention and control programmes including ITN distribution, IPTp, IRS and prompt treatment of malaria symptoms (Zambia, Ministry of Health, 2010). Because of the important opportunities for synergies between all health-related MDGs, a number of operations have also included the distribution of ITNs in integrated MNCH strategies (Wallace, Ryman and Dietz, 2012).

### *Tuberculosis*

There has been gradual progress in reducing TB cases ever since the MDGs were adopted. However, TB remains one of the deadliest communicable diseases and the relative coincidence with HIV is fairly high (World Health Organization, 2014c). In a similar vein to malaria, the treatments and strategies for TB tend to be much more generally applied across countries.

**The Directly Observed Treatment Scheme has been a key feature of efforts to stop TB**

The Directly Observed Treatment Scheme (DOTS) is at the heart of efforts to stop TB, including case detection (by sputum smear microscopy).<sup>4</sup> With regard to diagnostics, an example of a successful intervention includes the introduction of the GeneXpert system in South Africa. This system is better able than the traditional culture approach to diagnose TB and Rifampicin resistance (a good indicator of drug-resistant TB) simultaneously (Sánchez, Julca and Winkel, 2015b). Universal (or almost full) coverage of DOTS has been achieved through national programmes in countries such as Zambia, India and Bangladesh as a review of national plans and programmes suggests (ibid.). Zambia has significantly increased TB testing for HIV patients and India has trained more than 600,000 health-care workers to carry out tests along with over 10,000 dedicated lab workers examining the samples. While expansion of DOTS has been successful in reducing mortality rates in many countries, this will not lead to an eradication of the disease; only expansion of immunization programmes can accomplish that (Enarson and Billo, 2007). However, while vaccination has proven quite effective for children, it has far less effect on pulmonary TB in adults, pointing to the need for continued investment and expansion in other prevention and treatment programmes (Jamison and others, eds., 2006).

## **Strengthening of the health system**

**A well-functioning health system that is appropriately situated in the society will play an important role in achieving health-related goals going forward**

The aforementioned policy interventions can only be delivered with equity and quality if there is a well-functioning health system. While all of the supply-side needs of health systems continue to be indispensable, including the availability and capability of health workers and infrastructure, the experience of the past years indicates that the positioning of the health system within society also plays a significant role.

The MDG process may, by and large, have encouraged a focus on specific discreet spending (for example, to scale up immunizations, free distribution of ITNs, and so on) rather than the broad health-care reform that strengthens the underlying systems. For example, while vertical funds have been a critical source of resource mobilization, they also led to some distortion of health priorities for many countries due to their narrow focus on particular diseases, as noted. The dissociation between development policies and

<sup>4</sup> DOTS is a standardized treatment regimen using a regular, uninterrupted drug supply, observed by a health-care worker or community health worker; and a standardized recording and reporting system to assess treatment results.

budgetary frameworks has also undermined policy coherence and generated spending gaps for achieving development goals, including the health-related MDGs, as noted in previous chapters.

Even so, there has unquestionably been a new push to strengthen health systems for many reasons, including the necessity of additional efforts to meet the health-related goals in an integrated manner, the rising importance of non-communicable diseases and the need to move towards universal health coverage. All of these are important aspects of the 2030 Agenda for Sustainable Development.

## Health-care personnel

Health systems in developing countries face severe human resource constraints. This is evidenced by the fact that 40 million births in developing regions were not attended by skilled personnel in 2012, the bulk of which occurred in rural areas (United Nations, 2014a). According to a comprehensive survey-based study, only 20 per cent of hospitals in Africa had full-time physicians (Manasyan and others, 2009). Thus the quality of health services is seriously undermined by the quantity and quality of health-care personnel in developing countries.

There are basically three main reasons behind the problem. First, some countries are not producing enough doctors, nurses, and technicians necessary for their health-care system. Second, existing and new doctors, nurses, and technicians do not remain in certain countries and instead migrate elsewhere. The problem of migration of skilled health professionals is particularly acute for sub-Saharan countries, which have lost a significant part of their health-care personnel both to emigration and to the HIV/AIDS epidemic (Naicker and others, 2009; Tawfik and Kinoti, 2006; Awases and others, 2004). In another variant of this problem, health-care professionals may leave the public health system and join the better-paid and better-equipped private sector. Third, some of the health-care professionals who are left behind (in the country or in the public health system) do not possess high-level skills and may be less motivated to serve.

Coping with the personnel challenge requires a multi-pronged strategy customized to the particular situation of a country. Those countries that are not producing enough doctors, nurses, and technicians need to boost the relevant educational capacity in the long run. These may necessitate setting and meeting education goals at the highest education levels. Complementary training interventions that can be quickly deployed are worth trying in the short run. Examples of short-term training modalities in developing countries include broad-based training programmes for doctors, midwives and nurses (Botswana, the Gambia, Sierra Leone and Malawi), scholarship schemes (Uganda), and support for schools of midwives and the training of midwives in emergency and obstetric care (Zimbabwe) (Odusola, 2013). Shorter durations of training in developing countries has also allowed for task shifting that eases staffing pressure without compromising the quality of care (Huicho and others, 2008).

Short-term training initiatives have become particularly critical to combating HIV/AIDS or malaria. South Africa has had success with nurse-initiated management of patients on ART, a programme where nurses have been trained and authorized to administer ART and monitor patients (Sánchez, Julca and Winkel, 2015b). Many programmes for combating malaria have also included treatment training for doctors and medical assistants (Sudan),

**The quality of health services is seriously undermined by the quantity and quality of health-care personnel in developing countries**

**Quality education and a variety of short-term training initiatives and career opportunity programmes can help to mitigate personnel issues**

training on case management services for thousands of extension workers (Ethiopia), and home-based care programmes with trained community health workers (Rwanda) (ibid.).

Traditional birth attendants (TBAs) are another resource to consider in certain countries where cultural acceptance, cost and distance to hospital services (see the section on infrastructure) prompt women to use them. Some countries no longer allow TBAs to attend deliveries, though. An alternative approach is to use the strengths of TBAs while overcoming their weaknesses—for example, by ensuring that their roles become more complementary to those of trained medical personnel. TBAs can be trained in life-saving skills, in recognizing early danger signs, and in encouraging pregnant mothers to deliver in waiting homes and accompanying them during labour. Even in the most difficult contexts in Africa, such training has been possible as part of integrated maternal health efforts (Satti and others, 2012; Andemichael and others, 2009). Initial resistance by TBAs to become part of the system can be challenging, but it can be effectively addressed through incentives and community intervention.

Low compensation and limited staff development opportunities feature among the key factors discouraging health-care professionals in developing countries. A meta-analysis of 20 studies identified 7 major themes with potential to motivate and retain health workers in developing countries including financial rewards, career development, continuing education, hospital infrastructure, resource availability, hospital management and recognition/appreciation (Willis-Shattuck and others, 2008). Financial rewards seem to be particularly important. Paying providers based on their performance in Rwanda, under the pay-for-performance scheme, helped to boost the rates of uptake of HIV counselling and testing at a relatively minimal cost per patient (de Walque and others, 2013). Countries have also been able to expand the health workforce in a short time by broadening the recruitment pool and offering flexible career opportunities and non-traditional entry points to health workers (Maeda and others, 2014). Community health workers in Brazil and health extension workers in Ethiopia, for example, were found to require shorter periods of education and were quickly deployed.

## Infrastructure

**Infrastructure constraints even beyond the health-care system have significant impacts on availability and quality of care**

A characteristic of health-care systems in many developing countries is the decaying infrastructure of their facilities as well as a lack of basic equipment, medical supplies and pharmaceuticals. Emergency obstetric and newborn care (EmONC) facilities, a critical intervention for reducing maternal mortality, typically do not have the capacity to deliver all the health services they are designated to provide in developing countries (Ameh and others, 2012). An important number of hospitals across different developing regions have been found to be unable to perform caesarean sections and possess deficient blood banks and oxygen supplies (Manasyan and others, 2009). In many instances, health facilities are simply not available, or those that are available are difficult to reach. This explains why far too many births still continue to occur outside health facilities. In contrast, developing countries that have increased the rate of institutional deliveries or introduced a centralized EmONC facility and ambulance transfer system at the local and district levels have averted an important number of maternal deaths (Tayler-Smith and others, 2013; Padmanaban and others, 2009).

The infrastructure constraints that affect health outcomes are more than just the health-care facilities themselves. While the provision of drinking water and basic sanitation

contributes to preventing diseases such as diarrhoea, the related infrastructure continues to be at a poor state in many developing countries (see chap. V). Poor transport infrastructure also seriously hampers access to health facilities, especially in the face of emergencies and complications. Lack of time and transportation are among the most frequent barriers to women giving birth in a health facility in developing countries (Lerberg and others, 2014).<sup>5</sup> Partnerships and local communities are important for easing transportation constraints while the necessary investments are realized (Odusola, 2013). Partnerships involving joint action of the private sector and NGOs in Africa, for example, are using mobile phones to facilitate both provision of and access to transport to reach remote locations. Local communities are easing transport constraints in some African countries through subsidized or interest-free loans for pregnant women to attend check-ups or deliver their babies.

Even when transportation is available, the distance to the health facilities is an issue, especially when pregnant women (approaching the stage of labour and childbirth) living in remote areas cannot easily reach hospitals or clinics. One life-saving intervention has been the establishment of maternal waiting homes in communities that target pregnant women by providing them with antenatal care and emergency obstetric care, among other potential services. This supply intervention works most effectively if there is demand for the services of waiting homes. Free food and free or subsidized transportation to these homes have been important incentives to prompt pregnant women to stay there prior to their expected delivery dates. A number of studies for African countries point to the benefits of maternal waiting homes, including more deliveries attended by skilled personnel and willingness of pregnant women to seek antenatal care, resulting in a sharp reduction in maternal deaths (Andemichael and others, 2009; Ruiz, 2010; Satti and others, 2012).

### Integrated community case management

In many developing countries, particularly those with the lowest income, facility-based health-care systems alone cannot provide adequate access to the best-known preventive health interventions and treatment. This is particularly true for countries where health policies fail to reach all targeted populations, especially populations that reside in the poorest, most marginalized areas that are hard to reach. In spite of the progress developing countries have seen in meeting health-related goals, relative inequalities in the health indicators are still appreciable, partly because there are populations living in poverty that are hard to reach, as a comprehensive survey analysis spanning 64 developing countries has shown (Wagstaff, Bredenkamp and Buisman, 2014). Countries with high child mortality rates are particularly affected. For example, in spite of the proven effectiveness of immunization in preventing measles, a fifth of children under the age of five in a number of countries are still not given MCV1 (United Nations, 2014a). Similarly, not all children in the developing world with a diarrhoeal disease receive oral rehydration therapy and most of these children reside in such populations.

Attention must then be paid to efforts that have succeeded in overcoming the barriers to expanding health policies to such underserved populations. Various examples presented above with regard to the policies point to the critical role of communities in helping extend coverage of key health-care services to hard-to-reach populations (see chap. VI for a broader

---

<sup>5</sup> There may also be other key infrastructure-related constraints in developing countries that affect health systems, notably a lack of or irregular access to energy, which are not discussed in this *Survey*.

discussion on the role of communities in development goals). As noted, there are numerous examples of health interventions at the community level covering preventive maternal and neonatal practices, micronutrient supplementation for children and women, national immunization days, integrated child health events, and others.

**Integrated Community Case Management provides training, supply and supervision to enable front-line community health workers to better diagnose and treat children**

However, community efforts need to be implemented in a coordinated and integrated manner, ideally as part of the health system, which is not the case in many of the community efforts noted earlier. The United Nations Children's Fund (UNICEF), WHO, and partners in many developing countries have supported the integrated Community Case Management (iCCM) strategy for a sustained reduction of child mortality, a strategy that is well integrated as part of the health system. It provides training, supply, and supervision of front-line workers at the community level in order to equip them with adequate skills to diagnose deadly childhood diseases and, if needed, treat them using some of the interventions listed in table IV.1. Moreover, iCCM strategies also enable community health workers to identify children with severe acute malnutrition through the assessment of mid-upper-arm circumference.

Programmatic experience documented by Young and others (2012) shows evidence of the effectiveness of these strategies. In Nepal, which has experience in iCCM of child illness, 69 per cent of children under five years of age have access to treatment, and the case-fatality rate for acute diarrhoea and the proportion of severe pneumonia among acute respiratory infection cases across the country have significantly decreased. In Ethiopia, workers deployed in remote communities delivered two and a half times more treatments for three key diseases than all the facility-based providers in the same district. An iCCM study on pneumonia and malaria in Zambia found that 68 per cent of children with pneumonia received early and appropriate treatment from community health workers, and that overtreatment of malaria significantly decreased. The rapid treatment of fevers in young children believed to have malaria symptoms based on RDTs have also been expanded through iCCM programmes, resulting in reductions in the rates of over prescription and leading to better treatment outcomes (Mukanga and others, 2012; World Health Organization, 2013a).

Nonetheless, effective implementation of iCCM strategies can come at a high financial cost when these strategies require significantly stepping up policy support, training, supervision, performance maintenance and regular supplies. In addition, community health workers are increasingly responsible for many health and development tasks, and expansion of their duties needs to be carefully considered in this light (Young and others, 2012).

### Health care as a core social institution

**Positioning the health system as a core social institution will be critical to providing people-centred solutions that will raise the quality of care**

Improved health-care delivery necessitates more than increasing the supply of health workers and facilities and other important infrastructure. Health systems cannot just be addressed as mechanical delivery systems for clinical interventions. It is critical that they are positioned as core social institutions that are deeply embedded in the social, political and economic context of local and national settings in which people-centred solutions are developed with the engagement of communities and front-line health providers. One useful way to think about health systems is as having “hardware” and “software” dimensions (bir Sheikh and others, 2011). Hardware includes all the supply-side inputs, such as health-care personnel, infrastructure and so on. Software includes the ideas and interests, values and norms, and affinities and power that guide actions and underpin the relationships among

actors and elements of the system. All of these elements are critical to overall performance as well as the extent to which solutions are people-centred. In this perspective, like all institutions with a relevant role to play for development, health systems have important dynamics that determine how they function.

Implementing people-centred solutions requires adequate quality of health care. Importantly, this includes not just clinical quality, but also an adequate interpersonal relationship between health-care providers and end users. There have been a number of studies showing that high coverage of key clinical interventions has not had the expected impact on mortality because of low-quality interpersonal relationships between health-care providers and end users (Souza and others, 2014). A good example of a social policy that led to high coverage of a theoretically effective intervention is India's Janani Suraksha Yojana conditional cash transfer programme, which paid women to deliver in facilities. The evidence shows that the programme succeeded in raising institutional births significantly. However, a significant association between institutional birth proportion and the maternal mortality ratio has not been observed partly because of the low quality of care at institutions (Randive, Diwan and De Costa, 2013).

Against this backdrop, the quality of care is an aspect of health systems that is being highlighted in new global MNCH strategies. In maternal health, there is a new movement for respectful maternal care, the lack of which is now understood to be a huge barrier to access (Freedman and Kruk, 2014). It is especially important to ensure that women's health during pregnancy and childbirth (not to mention before pregnancy) is a basic human right. There are multiple resolutions in the Human Rights Council in recent years stating this, as well as available technical guidance on how to implement a rights-based approach to maternal mortality policy and programmes (United Nations, General Assembly, 2012 and 2014a). Because a large proportion of obstetric complications cannot be predicted or prevented but can be treated, the basic principle is that all women need to have access to emergency obstetric and newborn care, recognizing that the same interventions (for example, caesarean section) will be critical to saving the lives of many newborns and mothers.

## **Policy efforts and strengthening of health systems going forward**

This chapter has reviewed health policy interventions that are most commonly known for achieving health-related goals, as well as preventive practices for tackling the problem of neonatal mortality, which was overlooked early in the new millennium. In most instances, these health interventions are cost-effective; otherwise, they are effective but may have cost issues that should be addressed going forward. These policies still hold great potential to address the unfinished business of the MDGs and pursue the broader 2030 Agenda for Sustainable Development. The ways in which this holds true may vary from goal to goal, from sector to sector, from country to country, and even across developing regions.

### **Areas of focus for policy efforts to address unfinished business**

The concrete areas where the policy efforts should focus to complete the unfinished business of the MDGs in developing countries are threefold.

*First*, increased efforts to prevent neonatal deaths will be necessary as the proportion of deaths occurring in the first 28 days of life in under-five mortality has been increasing. Thus, implementing effective integrated solutions for both mothers and newborns, including family planning, will be critical going forward.

*Second*, in spite of past progress, it will still be of paramount importance to continue combating infectious diseases such as pneumonia, diarrhoea and malaria as they continue to cause most of the deaths in children under age five. Reaching underserved populations as well as strengthening large-scale implementation interventions and addressing their cost issues will be critical steps in combating these and other diseases affecting broader populations.

*Third*, continued improvement of nutrition will be necessary. Many under-five deaths still occur in children already weakened by undernutrition. Moreover, pregnant women also typically continue to face serious constraints to improving their nutrient intake, especially in low-income countries.

While existing policy interventions to tackle neonatal mortality, infectious diseases, and nutrition deficiencies need no reinvention, they will not succeed without greater policy coherence and strengthening of the health system.

### Integrated solutions with greater policy coherence and effectiveness

Health policy interventions appear to have had the best results—in terms of contributing to faster progress towards achieving the health-related MDGs—when they featured as part of integrated strategies whose core principle is lifelong access to health care for women, newborns and older children. Not only are these strategies useful for integrating solutions against key diseases and life-threatening conditions, they can also ensure that family planning becomes part of primary health care; tackle nutritional and environmental concerns that influence health; and create more awareness to prompt adequate healthy behaviours. However, integrating solutions may not be enough to achieve good outcomes if the three important following issues of coherence and effectiveness are not addressed going forward.

*First*, some of the policy interventions of integrated health strategies have been seen to detract from others. For example, there have been instances of vaccination rates falling due to higher costs of integrated interventions, longer service delivery times and other logistical issues. These issues should be addressed in order to increase the efficiency of integrated strategies for improving achievements on a variety of health development targets simultaneously. An adequate interface between development policies and budgetary frameworks, which was referred to in previous chapters, may contribute to policy coherence in health as well. However, the strengthening of the health system should be the most critical area of focus with a view to achieving greater policy coherence going forward.

*Second*, the effectiveness of each policy intervention itself, even before it features as part of an integrated health strategy, is another important aspect to consider. The impact of policies has been determined by a multiplicity of factors, starting once again with the adequacy of health systems, not only in terms of both quantity and quality, but also other factors, such as relevance of the intervention in particular country contexts; extent to which the intervention reaches underserved and vulnerable populations or, where relevant, whether it can be implemented on a large scale; cost issues; and people's awareness of diseases and methods of prevention through healthy behaviours.

*Third*, some of the health policies used to pursue development goals seem to be reaching their limits as progress is achieved and the causes of disease and death change, particularly in middle-income countries. Going forward, it is important that health systems are able to understand starting conditions in order to identify those interventions that should feature prominently in their strategies. Along the route, it will be important to closely monitor the effectiveness of policies in view of changing conditions. When inefficiencies arise, it will be critical to reallocate resources to undertake new and innovative effective interventions tailored to country realities.

### Areas of focus for strengthening the health system

Achieving integration, coherence and effectiveness of policies to tackle the problems of neonatal mortality, infectious diseases, and nutrition deficiencies will depend enormously on the functioning of the health system. A variety of factors closely associated with the limitations of health systems have held back progress with regard to all health-related MDGs. The supply-side needs of health systems will continue to be critical, but it will also be necessary to pay more attention to the quality of care and the positioning of health systems as core social institutions. Strengthening the health system in developing countries will demand the following pathways.

*First*, the shortage of skilled health personnel was not adequately addressed in many developing countries since the MDGs were adopted. Motivating and retaining health workers will be important to addressing the shortage, especially to prevent emigration of health-care personnel from countries which severely lack them. Nonetheless, the lesson is that even if health workers can be motivated and retained, the critical policy for overcoming the existing deficit of health professionals is to produce more of them, especially through long-term education.

*Second*, short-term, broad-based training programmes for existing health-care professionals will be required while the pool of new professionals rises through long-term education, especially in the least developed countries. Broadening the recruitment pool and offering flexible career opportunities and non-traditional entry points to health workers will also be important. The roles of traditional birth attendants should become complementary to those of trained medical personnel in the countries where they are still culturally accepted. Community health workers and health extension workers should feature as critical actors for the provision of health services as they typically require shorter periods of training and can be deployed quickly. They need to be formally integrated as part of a comprehensive primary health system.

*Third*, more traditional and non-traditional health facilities need to be constructed. The latter include maternal waiting homes as well as drop-in centres for testing, counselling, treatment and other medical interventions, in close proximity to communities and targeted populations. Incentives such as free food, free or subsidized transportation, and others will be important for creating demand for less traditional health centres once they have been built.

*Fourth*, efforts for strengthening infrastructure should go beyond health facilities. Investing in transport infrastructure will be critical to expediting access to health centres. Governments should rely on partnerships and local communities to ease transport constraints, targeting those populations that most need medical attention while also incentivizing their

demand for these services. Policies to reduce child and maternal mortality will have less effect if water and sanitation infrastructure does not improve.

*Fifth*, health systems should be increasingly positioned as core social institutions that are deeply embedded in the social, political and economic context of local and national settings. Interventions should become people-centred and be developed with the engagement of communities and front-line health providers. People-centred solutions will require adequate clinical and non-clinical quality of health care and a rights-based approach to policies and programmes. All women must have access to emergency obstetric and newborn care and the lives of people living with HIV/AIDS must be supported and improved through programmes.

*Sixth*, investment and operating costs involved in improving the functioning of health systems will be high and can hamper sustainability going forward. This highlights the need to bridge existing health spending gaps. External assistance has to continue and increase for countries that do not have enough domestic resources to finance the spending required. Furthermore, vertical interventions should continue to be harmonized with the horizontal health system so that the former do not weaken the latter and instead strengthen it.

## Chapter V

# Environmental sustainability

### Summary

- Progress has been made in some environmental areas since 1990: Ozone-depleting substances have been virtually eliminated, and the ozone layer is expected to recover by the middle of this century; terrestrial and marine protected areas in many regions have increased substantially; 147 countries have met the drinking water target, 95 countries have met the sanitation target and 77 countries have met both; and the proportion of urban population living in slums in developing regions fell notably.
- The international community must ensure that the United Nations Framework Convention on Climate Change (UNFCCC) process gives way to necessary cooperation between developed countries and the large, fast-growing developing countries in order to meet carbon dioxide (CO<sub>2</sub>) emission-reduction targets.
- Efforts to protect forests will have to be combined with sustainable production and consumption patterns. It must be acknowledged that deforestation is caused by factors beyond the forest sector's control, necessitating integral approaches. The special role of forests in the life and livelihood of people living in poverty and indigenous peoples should be given adequate attention.
- Protection of certain terrestrial and marine areas can be simultaneously helpful for protection of forests, wetlands, biodiversity, water resources, fish stock, and so forth. This in turn is critical to avoiding economic hardships, social tension and conflicts. Addressing the issue of climate change should help in the protection of terrestrial and marine areas.
- Adequate drinking water and sanitation infrastructure can best be built through public initiatives, both at national and local levels, complemented by various community and non-governmental initiatives. Infrastructure should be environmentally friendly to avoid negative externalities that have emerged as access to drinking water and sanitation is expanded.
- The slums problem can only be solved through sustained, inclusive and equitable economic growth, grounded in sustainable patterns of production and consumption, sustainable urbanization, and deeper human development. Achieving this will take time; intermediate steps towards improving the lives of slum dwellers will need to be taken in the meantime.
- Going forward, coherent policies should make use of the interconnections between various environmental goals themselves and between environmental and human development goals in order to accelerate progress. This will require finding targets and indicators that capture these interlinkages in an integrated manner whose quantitative nature also permits better monitoring of progress.

## Introduction

**The MDG framework embraced multidimensional efforts to protect the environment which, unlike other MDGs, were designed to apply to all countries**

In addition to human development aspirations, the Millennium Development Goals (MDGs) also embraced multidimensional efforts at both the international and national levels that were aimed at protecting the environment. MDG 7 was formulated to ensure environmental sustainability in recognition of a growing concern about current consumption and production patterns leading to an unsustainable use of natural resources. The purpose of this chapter is to review efforts made towards environmental sustainability during the 2000-2015 period, to understand the ways in which these efforts contributed to making progress towards environmental sustainability targets of the MDGs, and draw lessons for the implementation of the 2030 Agenda for Sustainable Development, and the Sustainable Development Goals (SDGs) in particular.

Any analysis of efforts to achieve MDG 7 is challenged by the unique features of this goal, especially the diversity of its targets (see the annex to this *Survey*). The targets are heterogeneous, covering both human development and environmental issues without proper integration; none of the environment-related targets were quantitatively specified; and some targets are not time-bound (for example, target A) whereas others are (for example, target B, which was expected to be met in 2010). Goal 7 also covers only a subset of the many challenging environmental issues that need to be addressed (Rockström and others, 2009). Moreover, while other MDGs are directed to either developing countries (MDGs 1-6) or developed countries (MDG 8), targets A and B are set for all countries, representing universality and the need for global cooperation, a feature that is more akin to the SDGs. One of the indicators for monitoring progress on MDG 7 refers to carbon dioxide (CO<sub>2</sub>) emissions. This implicitly brings in the Rio principle of Common But Differentiated Responsibility (CBDR), given that developing countries will need some space to address emissions while working to develop more sustainable economic systems with higher levels of per capita income.

Environmental protection efforts worldwide during the 2000-2015 period are also unique in that they have not only responded to stimuli from the MDGs but also from several other sources, including (i) multilateral agreements, such as the UNFCCC, the Convention on Biological Diversity (CBD), the United Nations Convention to Combat Desertification (UNCCD) and the Convention on Wetlands (Ramsar Convention); (ii) other regional initiatives; and (iii) spontaneous responses of individuals, communities, non-governmental and civic organizations, business organizations, and nations to growing environmental threats. Hence, unlike previous chapters where the focus was mostly on national policies and efforts, the review in this chapter gives more weight to internationally and regionally organized efforts as well.

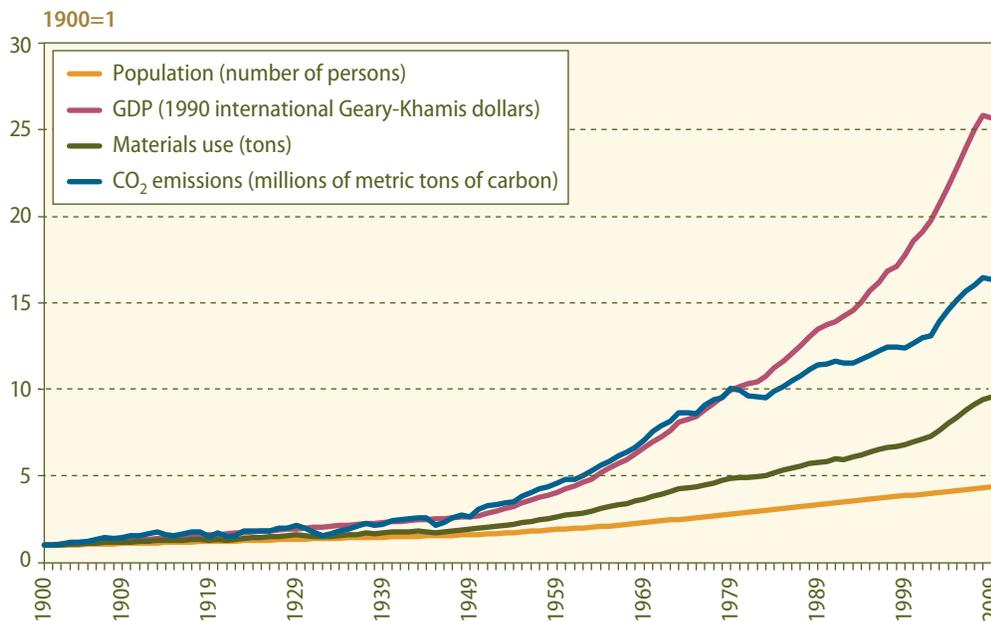
This chapter's review of environmental protection classifies the issues covered in MDG 7 into the following four major groups: (i) atmospheric issues; (ii) forests; (iii) land, water and biodiversity issues; and (iv) drinking water, sanitation, and slums. This grouping is neither exhaustive (that is, not all aspects of the environmental targets are covered with the same details) nor does it mean that there are no significant overlaps across these issues. For example, deforestation (a land-use issue) is a major driver of climate change and a major factor in sustainable water management. Similarly, success in ensuring improved drinking water often depends on the management of water resources. In fact, the importance of the overlaps across issues is underlined repeatedly in this chapter. Overarching lessons as well as lessons for specific areas of MDG 7 that emerge from the review of efforts are presented at the end of the chapter.

## Protecting the atmosphere to combat climate change<sup>1</sup>

A growing concern about the unsustainable use of natural resources as a result of current consumption and production patterns prompted the MDG agenda to introduce environmental targets. The concern was well founded: continuous population and gross domestic product (GDP) growth has resulted in growing volumes of resources extracted and waste generated (figure V.1).<sup>2</sup> In fact, over time, the crisis has become more severe with regard to the absorption of waste—particularly CO<sub>2</sub> emissions, which continue to exceed the absorptive capacity of the atmosphere, oceans and forests.

**Continuous population and GDP growth has contributed to unsustainable resource use and growing volumes of waste generation**

Figure V.1  
Global trends in population, GDP, resource use and CO<sub>2</sub> emissions, 1900–2009



**Source:** Data from Krausmann and others (2009) and Carbon Dioxide Information Analysis Center (CDIAC), United States Department of Energy.  
**Note:** Krausmann and others (2009) define materials use as including biomass, fossil energy carriers, metal ores, industrial minerals and construction minerals.

A positive correlation has been established between growth and carbon emissions in developing countries (figure V.2a and figure V.2b), although CO<sub>2</sub> intensity in GDP has exhibited a downward trend. Even in developed countries (figure V.3), where post-industrial structural transformation, new technology, trade, outsourcing and certain environmental policies have resulted in a relative decoupling between carbon emissions and growth, emissions can still increase when GDP growth per capita accelerates beyond a certain threshold (i.e., above 2 per cent).

The decline in the emissions per unit of GDP is primarily the result of deployment of new, more fuel-efficient and lower-emitting technologies. This experience is sometimes put forward as evidence supporting the possibility of decoupling of growth from carbon emissions. However, the decoupling that this evidence shows is relative decoupling, while

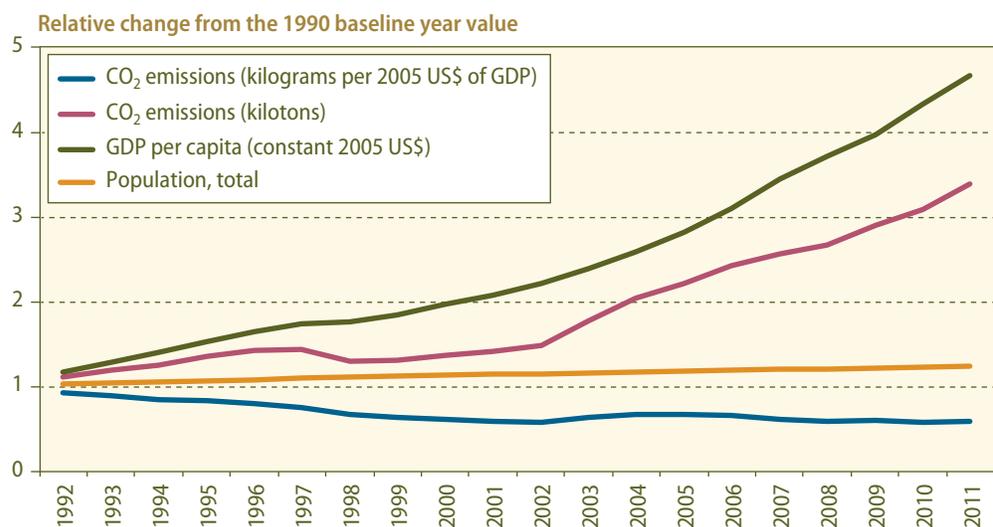
<sup>1</sup> This section draws extensively from Shindell (2015).

<sup>2</sup> For more details, see United Nations Environment Programme (2012a).

what is needed for preventing climate change is absolute decoupling or, in other words, a reduction in the total volume of emissions. For now, GDP rises are produced with more CO<sub>2</sub> content; as a result, overall CO<sub>2</sub> concentrations are rising as well.

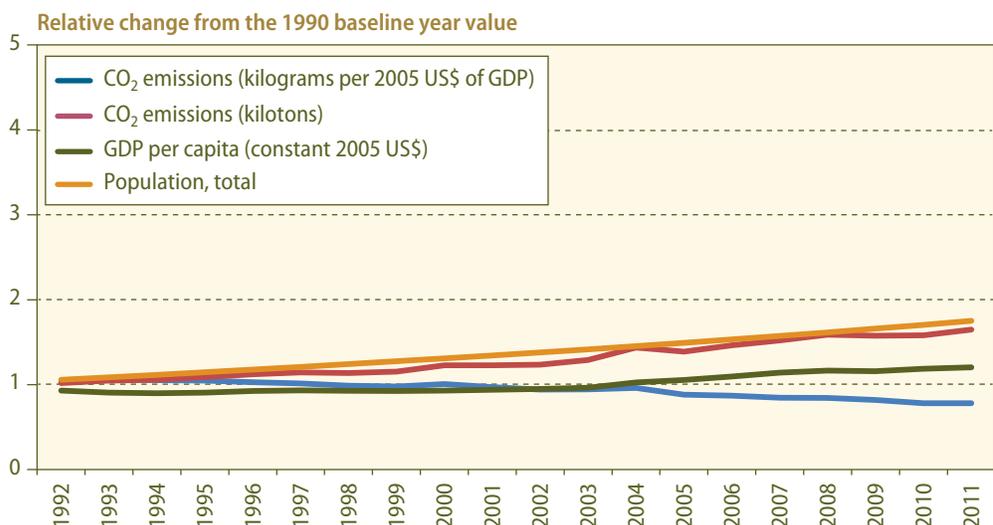
In view of the above, ozone depleting gases and CO<sub>2</sub> emissions became the central atmospheric issues covered by MDG 7, target 7A, on integrating the principles of sustainable development into country policies and programmes and reversing the loss of environmental resources.

Figure V.2a  
Trends in population, GDP and CO<sub>2</sub> emissions in East Asia and Pacific, 1992–2011



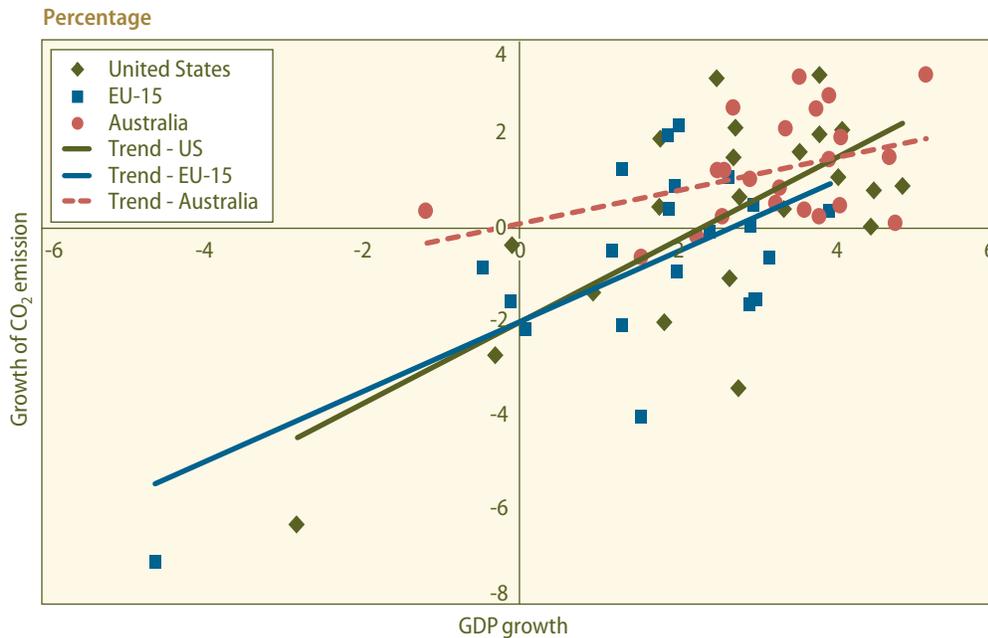
Source: World Bank, World Development Indicators Database.  
Note: All indicators are normalized to 1 in 1990.

Figure V.2b  
Trends in population, GDP and CO<sub>2</sub> emissions in sub-Saharan Africa, 1992–2011



Source: World Bank, World Development Indicators Database.  
Note: All indicators are normalized to 1 in 1990.

Figure V.3  
Carbon dioxide emission and GDP growth in developed countries, 1991–2012



Source: UN/DESA, based on data from the UNFCCC online database.  
Note: EU-15 includes member countries of the European Union before the accession of 10 candidate countries on 1 May 2004.

### The reduction of ozone-depleting substances

The experience with the ozone-depletion problem is an encouraging example of the world community coming together and successfully confronting a global environmental problem. Ozone depletion is caused by emissions of chlorofluorocarbons (CFCs), which also indirectly contribute to global warming and can cause health problems such as skin cancer. The atmospheric ozone-depletion problem was addressed by the 1985 Vienna Convention for the Protection of the Ozone Layer and the 1987 Montreal Protocol on Substances that Deplete the Ozone Layer, before the MDGs were launched. However, there have been continued efforts since 1987 that have led to encouraging results. Today, 197 parties have phased out 98 per cent of all major ozone-depleting substances globally compared to 1990 levels (United Nations, 2015a, p. 54). The remaining 2 per cent of all major ozone-depleting substances are expected to be phased out over the next 15 years. As a result, the ozone layer is projected to recover by the middle of this century. However, the concentration of CFCs in the stratosphere still remains high, because ozone-depleting substances have long atmospheric lifetimes. It is therefore important to remain vigilant against the emission of CFCs and other ozone-depleting substances.

**An encouraging example of global cooperation can be taken from the reduction in ozone-depleting substances**

### Efforts to curb carbon emissions

The Kyoto Protocol, an international agreement linked to the UNFCCC, was signed in 1997, just a few years before the MDGs were adopted, in hopes that the world would put a brake on the climate change process. However, there has been limited implementation of the Protocol. Because many important carbon-emitting countries never signed it, or first signed but later withdrew from it, many countries who signed it have found little incentive

**Efforts to reduce carbon emissions have been mixed...**

for achieving the emission cuts to the stipulated extent. Furthermore, many developed countries who made progress in reducing emissions did so to a large extent by off-shoring their emission-intensive industries to developing countries (Cole, 2003, 2004, 2006; Pinter, Almassy and Bizikova, 2015; United Nations, Economic and Social Commission for Asia and the Pacific, 2013; and World Bank, 2008). At the same time, the volume of emissions by several fast-growing developing economies has increased sharply. As a result, the total volume of global emissions did not decrease; instead, it increased substantially between 1990 and 2009 (figure V.1).

There have, however, been some regional initiatives towards emission reduction. The most prominent among these is the European Union's (EU) Emissions Trading System (ETS), which uses the cap-and-trade system.<sup>3</sup> While the success of the ETS is questionable, it offers a valuable experience regarding operation and effectiveness of the cap-and-trade system.<sup>4</sup>

**...although some developed countries have taken important steps...**

Some developed countries have gone beyond what was stipulated under international or regional agreements and achieved significant reduction of their emissions and are continuing to press ahead with further reductions in the future. For example, Denmark has declared an initiative to become carbon neutral by 2030. Norway has also set a similarly good example. Germany has reduced emissions significantly while at the same time switching away from nuclear power. These forward pledges are intended to set a tone for more ambitious commitments by other countries in the context of a future global agreement.

There have been some initiatives of developed countries towards helping developing countries to reduce their emissions. One example was the Kyoto Protocol's Clean Development Mechanism (CDM), under which enterprises from developed countries could earn emission-reduction credits by undertaking emission-reducing activities in developing countries. Unfortunately, the scope of CDM activities remained limited, and they were concentrated in only a few large, fast-growing developing countries, such as China and India. Nevertheless, several global funds have emerged to promote such activities.

**...and some developing countries have made commendable efforts**

Many developing countries also took commendable steps to reduce their carbon emissions, even though they were not required to do so under the Kyoto Protocol. Some even have announced the intention to become carbon neutral in the near future. An example is Costa Rica, which has declared the goal of reducing CO<sub>2</sub> emissions gradually until achieving zero net emissions by 2020. Some developing countries (China, for example) have set the broader goal of pursuing a different production and consumption pattern that is more environmentally friendly and conducive to a reduction in CO<sub>2</sub> emissions (Xinhua, 2014).

<sup>3</sup> A cap-and-trade system sets a cap for emissions and then distributes authorizations to emitting sources in the form of emissions allowances. Emitting sources can then take different strategies to meet the cap, one of which is to sell or buy emissions allowances. For more details, see United States Environmental Protection Agency, <http://www.epa.gov/capandtrade/basic-info.html>.

<sup>4</sup> The overly generous allowance of free emission permits given under the Emissions Trading System (ETS) to corporations has kept carbon pricing well below \$50 per ton, which is considered by many climate experts as a minimum for enabling the structural economic transformations required for a transition towards a sustainable development path. In the European Union's (EU) ETS, carbon prices hovered between €10 and €15 between 2005 and 2010. Prices collapsed to €3 in early 2013 before recovering gradually to slightly above €8 by the third quarter of 2015 (Organization for Economic Cooperation and Development, 2013a; Spash, 2010).

## Forest cover loss and efforts to avert it<sup>5</sup>

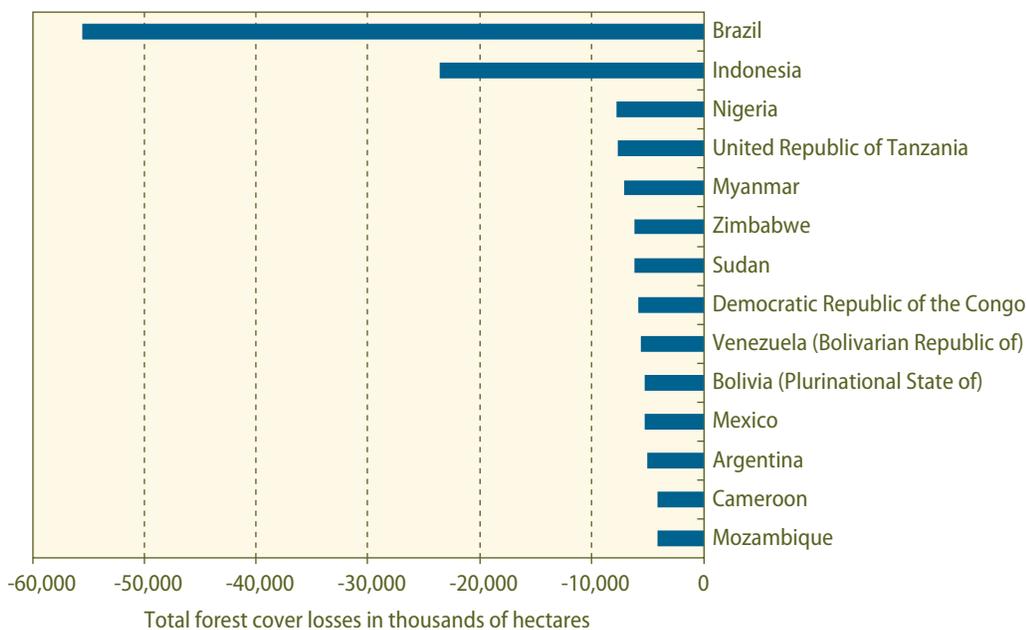
Forests are a critical determinant of the global as well as the local environment. By absorbing carbon from the atmosphere and releasing oxygen, forests ensure one of the essential conditions for survival of life on the planet. They provide watershed protection and biodiversity conservation, and help to combat desertification and land degradation and to reduce the impact of natural disasters. Forests also help solve many development challenges including poverty eradication, food security and agriculture, energy, and clean water.

Forests are not explicitly referred to in any target of MDG 7, but the proportion of land area covered by them features among the indicators for monitoring progress on the goal (see annex). The United Nations MDG database shows that, globally, the proportion of land area covered by forest decreased 1 per cent (from 32 to 31 per cent) between 1990 and 2010. In absolute terms, total forest cover decreased from 4,168 million ha in 1990 to 4,085 million hectares (ha) in 2000 and 4,033 million ha in 2010, implying a net loss of 135 million ha of forest cover. This is approximately equivalent to the territory of a country like Iran, Mongolia or Peru. This trend confirms that the loss of forest areas has been continuing, although at a slower pace: the annual rate of forest-area loss decreased from 8.3 million ha in the 1990s to 5.2 million ha per year over the last decade.

These statistics, however, mask the real loss of primary forests that is taking place. This becomes clear if attention is paid to the cases of greatest forest loss. Figure V.4 shows that, between 1990 and 2010, Brazil lost 55.3 million ha of forests (representing 6.6 per cent of its total forest cover) and Indonesia lost 24.1 million ha (representing 13.3 per

**Forest loss has been limited when examined from a global perspective but it has been much more significant in a number of countries**

Figure V.4  
Countries with largest forest-area loss between 1990 and 2010



Source: Pinter, Almassy and Bizikova (2015), based on United Nations Statistics Division data.

<sup>5</sup> This section benefited from Pinter, Almassy and Bizikova (2015).

cent of its total forest cover). Thus Brazil and Indonesia together lost about 80 million ha of forests, which, in most cases, are primary forests, dense and rich in biodiversity, representing unique ecosystems that are often the habitat of indigenous peoples. Other developing countries—not shown in the figure—have also recorded considerable rates of forest loss in terms of percentage of forest-area loss, including Cambodia, the Democratic People’s Republic of Korea, Ecuador, Ghana, Honduras, Indonesia, Myanmar, Nicaragua, Timor-Leste and Zimbabwe. Of the countries experiencing deforestation, many were least developed countries (LDCs), landlocked developing countries, and small island developing States (SIDS) (table V.1).

Table V.1  
Countries/areas with the highest proportion of deforestation, 1990–2010

Total forest land area (percentage)				
	Country or area	1990	2010	Change (1990–2010)
<b>Least developed countries</b>	Cambodia	73.3	57.2	-16.1
	Timor-Leste	65.0	49.9	-15.1
	Myanmar	59.6	48.3	-11.3
<b>Landlocked developing countries</b>	Zimbabwe	57.3	40.4	-16.9
	Paraguay	53.3	44.3	-9.0
	Uganda	24.1	15.2	-8.9
<b>Small island developing States</b>	Montserrat	36.4	20.0	-16.4
	Timor-Leste	65.0	49.9	-15.1
	United States	68.6	58.8	-9.8
	Virgin Islands			

Source: UN/DESA, based on United Nations Statistics Division data.

## Drivers and effects of deforestation

Understanding the drivers of deforestation is critical to identifying the policies that can tackle this problem. Major drivers of deforestation in developing countries have been population pressure, poverty-generated fuel needs, urbanization, and logging by domestic and international forest companies for both timber extraction and plantation of various commercial crops. Weak governance and institutions characterized by corruption among their officials exacerbate the problem (Kuyuncu and Yilmaz, 2009) (see also chap. VI).

In Honduras, the country with the highest degree of forest loss (26.3 percentage points between 1990 and 2010), deforestation was mostly the result of livelihood-related activities, such as forest clearing for farming and fuelwood collection. Timber extraction (often illegal and uncontrolled), mining and forest fires have further accelerated the losses there.<sup>6</sup> Similarly, in the Democratic People’s Republic of Korea, which experienced a loss of forest cover of 21 percentage points between 1990 and 2010, the rural population extensively converted forest areas to agricultural lands and cut forests for fuelwood and building materials (Pang and others, 2013). In Zimbabwe, where forest cover decreased by 16.9 percentage points between 1990 and 2010, deforestation was also the result of intensifying

<sup>6</sup> For more details, see: <http://rainforests.mongabay.com/20honduras.htm>.

livelihood activities, although land clearing for tobacco production also accelerated the negative trends (Food and Agriculture Organization of the United Nations, 2010).

Rising inequality and erosion of rights of indigenous peoples living in forests have also been found to be a factor aggravating deforestation and forest degradation (Baland, Bardhan and Bowles, eds., 2007). Gender inequality also plays an important role. In her survey of community forest management in India, Agarwal (2007) finds that the presence of more women members in the management committee led to better protection of forests.

The relative importance of the various drivers of deforestation is changing over time. The earlier pattern of deforestation, characterized mainly by government-assisted land clearing by small-scale farmers, has given way to large-scale forest clearing by better capitalized landowners for cattle ranching and plantation of commercial crops (Rudel and others, 2009). Since globalization and economic growth-driven demand for timber doubled in terms of value during the first decade of the new millennium, the pressure on the forests has increased. China and India together accounted for more than 86 per cent of tropical hardwood imports by International Tropical Timber Organization (ITTO) members in 2011, compared with 22 per cent in 1995.<sup>7</sup> The pressure from plantation also grew. Between 1990 and 2005, there was a 40 per cent increase in forest plantations, a trend that continued to hold (Rekacewicz, 2009). The value of plantation forests for biological diversity and related ecosystem services is significantly less than that of natural and old-growth forests (Brockerhoff and others, 2008; Stephens and Wagner, 2007).

Deforestation has had negative effects on other environmental and human development outcomes. In Cambodia, where timber is one of the few resources with commercial value, loss of forests by 16 percentage points between 1990 and 2010 has negatively affected water resources and, as a result, the agriculture and fisheries sector (Cambodia, Ministry of Planning, 2013). In Zimbabwe, deforestation threatens both food and income security of the rural population (Food and Agriculture Organization of the United Nations, 2014). In Timor-Leste, deforestation has led to landslides and chronic soil erosion and has reduced water quality, threatening wildlife and representing a risk to the food supply (Secretariat of the Convention on Biological Diversity, 2014).

Unlike many developing countries, developed countries in general did not suffer significant deforestation during the 1990-2015 period. There are several reasons for this outcome, as Pinter, Almassy and Bizikova (2015) explain. First, loss of forest cover that is generally associated with industrialization and urbanization had already occurred in these countries. Second, the economic structure of developed countries moved further towards services, thus reducing pressure on forests and resources generated by forests. Third, as was the case with CO<sub>2</sub> emission-intensive industries, developed countries rely more on developing countries in meeting a significant part of their demand for timber and other forest resources. Fourth, many developed countries took steps to protect their forests in the context of the European Commission's NATURA 2000 initiative, which was established in 1992, and its Habitats Directive, which provides the basis for conservation policy (Evers, 2015).

**Rising inequality, erosion of land rights, conversion of forest as a result of livelihood-related activities and timber extraction are all drivers of deforestation**

<sup>7</sup> While China has increased its forest cover, it is increasingly relying on imported timber, transferring the ecological pressure to other countries (United Nations, Economic and Social Commission for Asia and the Pacific, 2013).

## Efforts for averting deforestation

Amid the negative developments with regard to forests in developing countries, particularly with those with very low per capita income, there have been some encouraging experiences too. Several developing countries and regions experienced a sustained expansion in forest cover (Pinter, Almassy and Bizikova, 2015). Among them were Puerto Rico, Viet Nam, Cuba, Bulgaria, Swaziland, China, Rwanda, Uruguay, Serbia, and Belarus (figure V.5). In 12 countries, forest cover increased by more than 5 percentage points, and in 4 of these, the increase was more than 10 percentage points.

**A number of initiatives have contributed to reforestation in some developing countries; alas, new forests are of lower quality with reduced biodiversity**

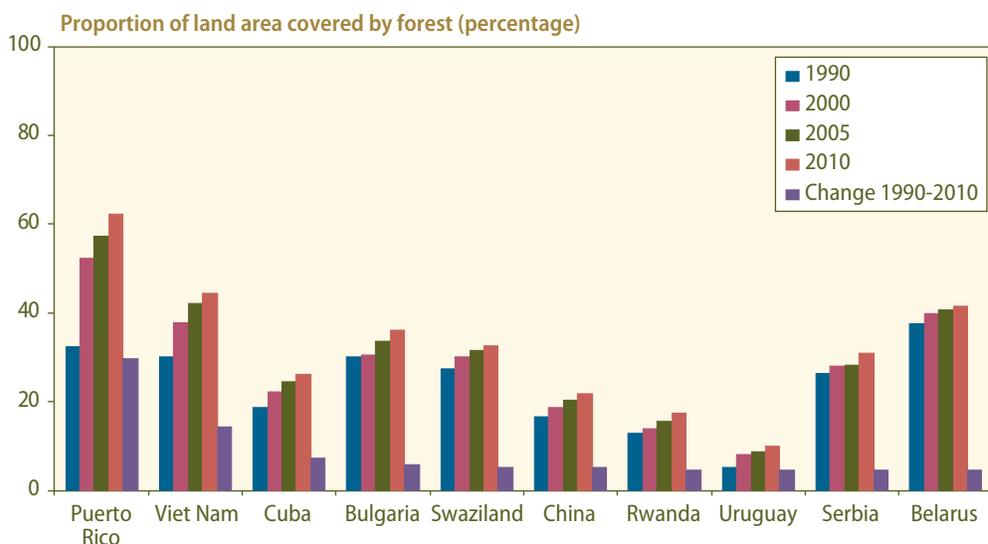
The factors behind the increase in forest cover were generally specific to individual countries. For example, forest cover increase in Puerto Rico was largely a result of structural transformation, involving a shift from agriculture to a service-based economy. In 1945, only 9 per cent of the Puerto Rican island was covered with forests, but after abandonment of pasture and coffee plantations, the forest areas started to increase dramatically as a result of natural regeneration, and by 2010 as much as 62 per cent of the island was forested.

In China, the forest cover increased by 5.2 percentage points or 19.86 million ha, in absolute terms, between 1990 and 2010. This was possible as a result of the Great Green Wall programme that tackled desertification and land degradation in Inner Mongolia and Western China. Desertification was increasing the frequency of major sandstorms and contributing to the worsening of urban air quality in the megacities of China's eastern seaboard.

Viet Nam experienced an increase in forest cover by 14.3 percentage points (4.43 million ha, in absolute terms), between 1990 and 2010, through a series of national policies, partnership initiatives and legal mechanisms that enforced forestry certification standards, encouraged dialogue between different stakeholders, and granted land tenure rights to local communities.

The afforestation and reforestation efforts in the countries above and in other countries are commendable and encouraging. However, as noted earlier, the quality of these "new" forests is nowhere close to the primary forests lost in many countries. More than half of the

Figure V.5  
Countries with a high degree of afforestation, 1990–2010



Source: Pinter, Almassy and Bizikova (2015), based on United Nations Statistics Division data.

total reforested areas are industrial (coffee, tea and rubber) plantations with a significantly lower biodiversity value. Also, the value and the quality of natural (moderate and mangrove) forests have continued to decline (Secretariat of the Convention on Biological Diversity, 2014). Although global timber demand has doubled, there has been a structural shift to secondary wood products—which are generally produced from residual forests, new growth forests, and social forests where trees possess less height and width compared with trees in primary forests—indicating that the remaining forest is of lower quality with reduced biodiversity (Earth Policy Institute, 2012).

In addition to the reforestation and afforestation initiatives above, there have been commendable efforts at conservation of existing forests in some developing countries. A particular example in this regard is Costa Rica, which introduced an Eco-services Payment System to encourage farmers and owners of forest land to preserve the forests. Some have complained, however, that such payments went inordinately to rich landowners and thus exacerbated inequality. Despite these complaints, it still represents a policy innovation undertaken in a developing country.

Another novel initiative was taken by Ecuador, which announced its intention not to develop the oil fields in its Yasuni National Park in order to protect the rain forests there (Martin, 2011). It was expected that the international community would come forward with some compensation for the financial loss that Ecuador was suffering as a result of this initiative. Unfortunately, insufficient funds were committed owing to, among other things, unease about the continued possibility of future exploitation of the oil resources and issues with competition between this programme and the Reducing Emissions from Deforestation and Forest Degradation (REDD+) initiative. As a result, the project was scrapped in 2013 (Martin, 2014). This initiative provides an example of potential global cooperation for protection of the forests, but further efforts will be needed regarding attracting and allocating funds for this to be successful.

Innovative social policies have also been seen as instruments to protect forests, in a synergy favouring simultaneous progress towards multiple MDGs. As briefly mentioned in chapter III, as part of environmental conditional cash transfer programmes, Governments are also providing direct transfers to communities and families with land titles in the Amazon basin in exchange for the protection of large areas of tropical forests and ecosystems. There is evidence that the Bolsa Floresta programme in Brazil has reduced the forest loss 12 per cent faster in the reserves that have benefited from the transfer. This example, once again, shows there is scope for policies that are coherent in the sense that they allow for synergies and outcomes at the social and environmental levels.

As pointed out earlier, developed countries in general did not suffer significant deforestation between 1990 and 2015. Even so, they have taken initiatives to protect their forests. Moreover, one of the important developments during the period since the MDGs were adopted was the emergence of several global initiatives to protect forests. These initiatives reflected the realization on the part of the world community that forests, although located in individual countries, are in fact treasures for the world community as a whole. For example, Brazil's rainforests are often referred to as the "lungs of the earth", and hence their importance for humankind as a whole is invaluable. Brazil and Indonesia still have high forest coverage of about 60 per cent and 50 per cent, respectively. It is important that these forests are sustainably managed and protected.

Prompted by this realization, several global initiatives emerged with the explicit purpose of aiding countries in protecting their forests and valuing the services that forests

**Eco-services payments systems and environmental cash transfer programmes of countries have helped to conserve existing forests...**

**...while there have also been important examples of global efforts to reduce deforestation**

provide. The REDD+ initiative, mentioned above, is an example of such global initiatives. In some cases, bilateral development assistance was directed towards forest protection in recipient countries. Debt relief programs, such as the Heavily Indebted Poor Countries (HIPC) initiative and Multilateral Debt Relieve Initiative (MDRI), contained some components aimed at forest protection in the countries receiving debt relief. The financing strategy of the CBD is an important aspect of globally shared responsibility for protecting biodiversity and, by implication, forests.

It is difficult to assess how successful these global funds and initiatives have been in protecting the forests. The evidence regarding deforestation suggests that the success was perhaps modest, and they could not prevent the loss of a substantial portion of the Earth's remaining primary forests.

## Reducing biodiversity loss<sup>8</sup>

Target B of MDG 7 sought to “reduce biodiversity loss, achieving, by 2010, a significant reduction in the rate of loss”. This can be considered as a composite target, as monitoring its achievement was based on indicators focused on the protection of terrestrial and marine areas, water resources, fish stock and biodiversity (see annex). The evolution of these indicators and global and national efforts to improve them are reviewed next.

### Protection of terrestrial and marine areas

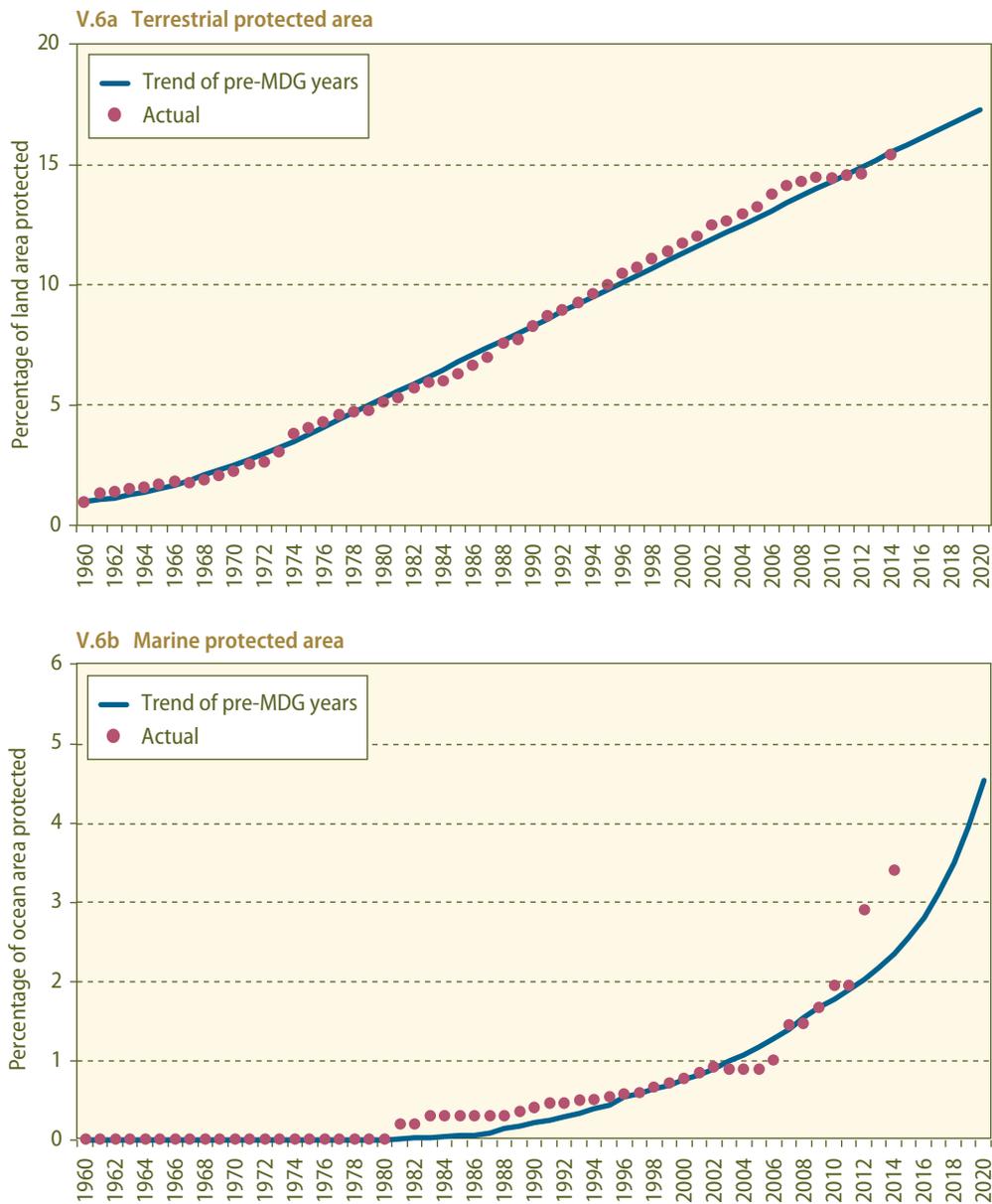
**The trend of protecting terrestrial areas continued at roughly the same rate pre- and post-MDG adoption, whereas marine area protection ramped up more recently**

Progress in protecting land and marine areas that was achieved before the MDGs also continued after these goals were adopted. However, there was a marked difference in this regard between land and marine areas. The rate of increase in protected land areas in recent years followed the trend of the pre-MDG years, and, in fact, it seems to have slowed down, whereas that of protected marine areas seems to have accelerated since about 2005 (figure V.6). This is in part because the concept of marine protected areas (MPAs) is relatively recent, and also the establishment of exclusive marine zones belonging to particular countries is a relatively recent step. MPAs were initially defined at the Fourth World Wilderness Congress (1987-1988), which also established objectives and targets for their protection. Further protection efforts were influenced by the United Nations Convention on the Law of the Sea (UNCLOS) and the CBD coming into force in 1994. These both established the obligations and rights for countries to create MPAs. While this provided some of the impetus for the increase, there was a more rapid increase after the World Summit on Sustainable Development Plan of Implementation in 2002, which raised the profile of ocean protection on Governments' agendas. Partly as a result of this, there was an increase in the total ocean area protected of over 150 per cent between 2003 and 2010 (Toropova and others, eds., 2010). This rapid increase is also likely to be partly a function of the relative scarcity of MPAs at the beginning of the period.

In terms of regions, the largest increase in protected terrestrial area was seen in Latin American and Caribbean countries, where it increased from 8.8 per cent in 1990 to 23.4 per cent in 2014 (United Nations, 2015a, p. 56). There are a number of steps that countries in the region have taken in order to increase terrestrial protected areas, at both the individual country level as well as regionally. Many countries have enacted new forest legislation

<sup>8</sup> This section draws extensively from Pinter, Almassy and Bizikova (2015) and Evers (2015).

Figure V.6  
Trends in protection of terrestrial and marine areas, 1960–2020



Source: Secretariat of the Convention on Biological Diversity (2014); Pinter, Almassy and Bizikova (2015); and Juffe-Bignoli and others (2014).

(although some of this was prior to the signing of the MDG declaration). There are also a number of regional collaborative efforts including the Amazon Treaty Cooperation Organization, the Central American Commission on Environment and Development, the Caribbean Natural Resources Institute, as well as regional technical cooperation networks and regional fire management networks (Food and Agriculture Organization of the United Nations, 2007). In addition, many countries in the region have made use of the National Forest Programme Facility which has provided grants to numerous organizations, both at the local and national government level and to local and national NGOs. The

Facility, created in 2002, has helped support the formulation and implementation of many countries' national forest programmes (Food and Agriculture Organization of the United Nations, 2012).

The lowest increase in protected terrestrial area was observed in Caucasus and Central Asia, where it increased from 2.8 to 3.6 percent during 1990-2012 (figure V.7). Among countries that achieved the largest increase in the proportion of terrestrial area protected are Bhutan, Bulgaria, Cambodia, Congo, Croatia, French Guiana, Morocco, Namibia, Peru, Réunion, Slovenia; however, important emerging economies such as Brazil and Mexico also increased their proportion of protected areas considerably (Pinter, Almassy and Bizikova, 2015). As a group, LDCs seem to have faced considerable challenges in increasing protected areas.

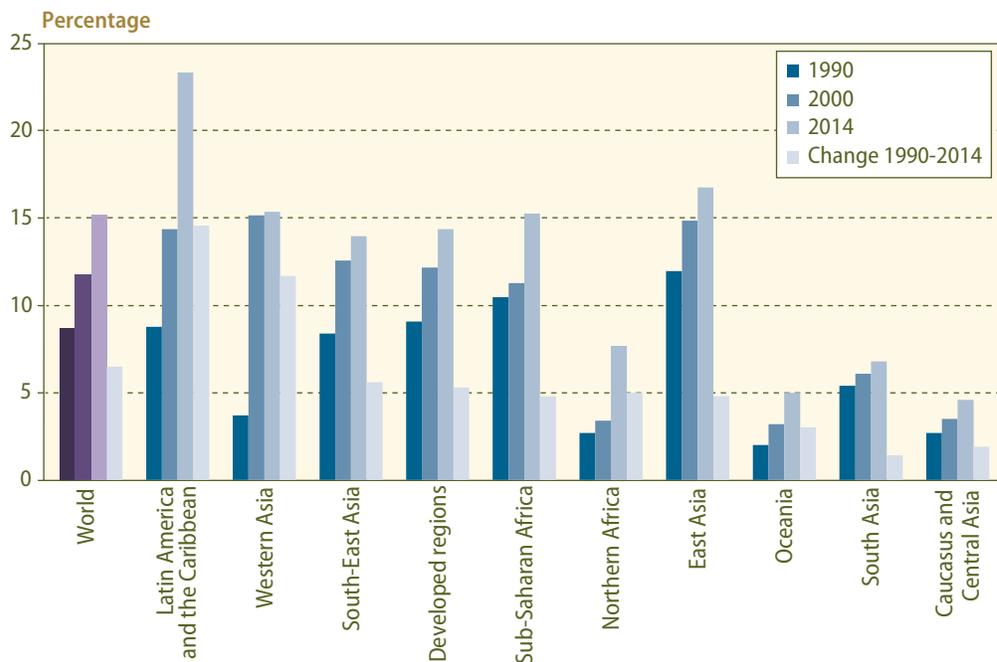
The better performance of Slovenia and Bulgaria, for example, is explained largely by their accession to the EU in 2004 and 2007, respectively. The accession required these countries to meet the requirements of the European Commission's NATURA 2000 programme. This programme involves increased protection of over 1,000 animals and plant species and over 200 habitat types (Evers, 2015). As a result, as part of the accession process, Slovenia and Bulgaria increased the coverage of protected areas. Namibia has enacted legislation for sustainable biodiversity management and invested in management and infrastructure in protected areas. In the Lao People's Democratic Republic, Prime-Ministerial decree number 164 increased protected areas. In addition, improvements in local biodiversity knowledge, land-use planning and allocation and an expansion of ecotourism have all helped to increase protected areas (ibid.).

Of equal importance to the deceleration in the rate of increase in protected land areas in recent years is the problem of desertification of land. Restoring the Earth's degraded and

**Desertification and land degradation continues despite protection efforts, particularly in Africa**

Figure V.7

**Increase in the proportion of protected terrestrial area, various regions, 1990–2014**



Source: Pinter, Almassy and Bizikova (2015), based on United Nations Statistics Division data.

desertified land is a complex and huge challenge. Despite widespread ratification of the UNCCD and the adoption of National Action Plans in many countries, the results have been mixed at best, as reflected in the rapid and continued desertification and degradation of land, especially in Africa, but also in Latin America (United Nations Environment Programme - World Conservation Monitoring Centre, 2011). According to United Nations, Convention to Combat Desertification (2014), 25 per cent of land is highly degraded and 8 per cent moderately degraded, while only 10 per cent is improving. About two thirds of African land has already been degraded to some degree. Land degradation affects at least 485 million people, comprising 65 per cent of the entire African population. It is projected that by the 2050s, 50 per cent of agricultural land in Latin America will be subject to desertification (Pinter, Almassy and Bizikova, 2015). The progress in increasing the extent of protected terrestrial area should be helpful for combating forest loss and degradation. Yet, the evidence pointing to increasing desertification suggests that bolder efforts are needed.

Insufficient protected area coverage of biomes is most evident in the marine realm, where only 1.6 per cent of territorial water is protected, despite the CBD Aichi conservation target of 17 per cent of terrestrial and inland water areas and 10 per cent of marine and coastal areas. Indeed, at the end of 2010, only 12 countries designated more than 10 per cent of their waters as protected, most of them already prior to 1990, while 121 countries were yet to designate more than 0.5 per cent of their marine jurisdiction in the same direction (Tropova and others, eds., 2010). On the positive side, 6 countries have a proportion of marine protected areas of more than 30 per cent according to recent United Nations statistics. Some countries reported a large increase in protected marine area in order to meet the requirement of regional agreements. This was the case with Romania, for example, which increased its protected marine area significantly to fulfil the requirement of the European Commission's NATURA initiative (Evers, 2015). A large Black Sea reserve was established in 2007, prior to Romania's EU accession, as part of compliance with this directive (Begun and others, 2012).

## Wetlands

There were ongoing efforts to protect wetlands throughout the period since the MDG declaration was signed. Protection of terrestrial area subsumes protection of wetlands. However, wetlands comprise only 1 to 2 per cent of the global terrestrial area and scientific estimates show that 64 per cent of the world's wetlands have disappeared since 1900. The Wetlands Extent Index corroborates that, for a global sampling of more than 1,000 wetland sites, these sites shrank by an average of 40 per cent over the period between 1970 and 2008. Individual wetlands and regions vary widely, but the continuing trend is unmistakable and alarming (figure V.8).

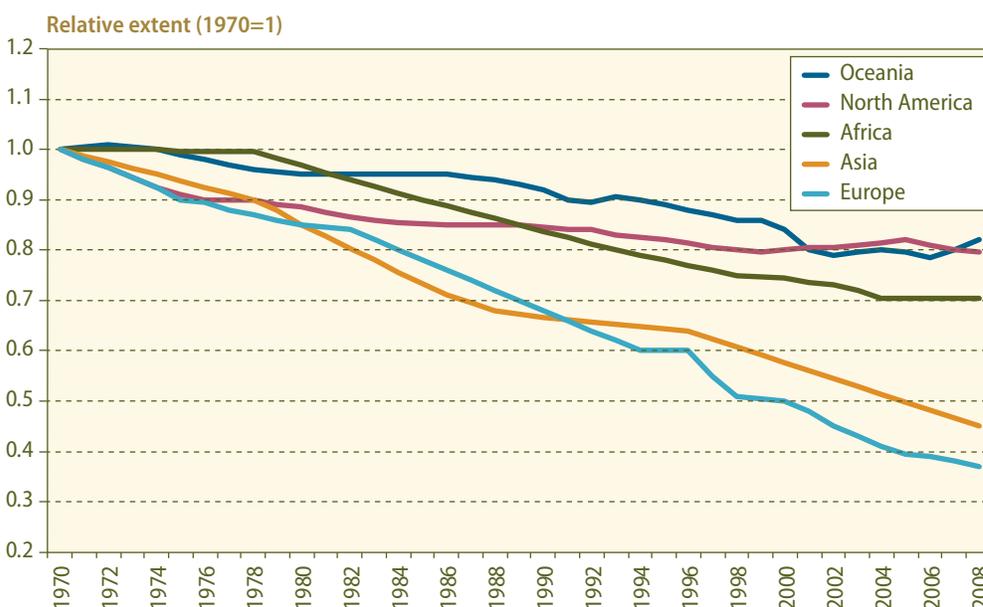
At the same time, MDG 7 was not expected to result in any significant increase in the total area of protected wetlands since the largest wetlands were already protected before these goals were adopted. However, LDCs, SIDS and large, environmentally important developing countries increased the number of protected sites by almost threefold between 2000 and the present (Pinter, Almassy and Bizikova, 2015). It appears that some of the success in increasing these areas came as a result of integrating wetland management into high-level national strategies, including development plans and overall environmental strategies. Furthermore, wetland protection was mainstreamed into relevant sectoral strategies such as poverty reduction and coastal development. However, effective monitoring

**Some success in protecting wetlands has come through national policy frameworks and legislation**

and enforcement remain problematic and limited, and evidence suggests there continues to be degradation or loss of protected wetlands due to natural causes and conversion to agriculture and industrial use (ibid.; United Nations Environment Programme, 2012a).

In many countries, the protection of wetlands is linked to existing national policy frameworks and legislation that have an important role in mainstreaming these issues into sectoral planning, including development plans and expansion of urban and agricultural areas. Sri Lanka, for example, included acreage of protected wet-zone forests as an indicator under MDG 7. The country has enacted a number of environmental and natural resource policies including a National Watershed Management Policy (2004), the National Wetlands Policy (2005) and the National Wetland Conservation Plan (2004), among others (Institute of Policy Studies of Sri Lanka, 2014). Mainstreaming wetland protection also contributes to integrating the monitoring of wetlands into broader existing monitoring systems, which may contribute to improving protection. Based on a comparison of countries with and without National Wetland Protection legislation, those with existing legislation were about 30 per cent more likely to report healthier sites than those without such legislation (United Nations Environment Programme, Twelfth Global Meeting of the Regional Seas Conventions and Action Plans, 2010).

Figure V.8  
Wetlands Extent Index, 1970–2008



Source: Wetlands Extent Index as published in Leadley and others (2014).

## Water use

**Water scarcity is becoming more acute in many developing countries...**

The other water-related indicator of MDG 7 focuses on the proportion of water resources used. The situation in this regard is deteriorating in developing countries, which are using on average more than half of their total water resources. Several of them already exceed sustainable capacity. However, relevant data are acknowledged to be of poor quality. Countries in dryer regions, such as Western Asia, some parts of sub-Saharan Africa, and SIDS, are most affected by depletion of water resources. However, developed regions such

as Oceania or the South Western United States also regularly suffer from water scarcity (United Nations Environment Programme, 2012b).

The problem of water scarcity is getting more acute. Apart from drivers from the demand side, the problem is aggravated from the supply side by climate change. In many cases, lakes are drying up as a result of prolonged droughts. Growing scarcity of river and lake water is becoming an important source of economic hardship, social tension and even military conflicts.

For the countries that have managed to make progress in reducing their water use, Integrated Water Resources Management (IWRM) has been important, although this concept pre-dates the MDGs. Many countries have made progress in developing IWRM, but further efforts are necessary to ensure effective implementation (Evers, 2015). A survey in 2012 by UN-Water showed that 84 of 133 countries had water resources management plans developed. However, this survey included high-income countries as well and found that, while low-income countries were in the process of developing plans, there was limited implementation between 2012 and a previous survey in 2008 (United Nations Environment Programme, 2012b). Uzbekistan, for example, was able to reduce its proportion of water resources consumed by setting clear policy targets for water use, savings and supply. Local strategies can be relevant too; for example, China's province of Liaoning has considerably reduced pollution of local water resources and improved efficiency through integrating national legislative frameworks with local institutional frameworks and projects (Evers, 2015).

**...while increased use of Integrated Water Resources Management plans has been important in those countries making progress**

## Fish stock

The world's production of food fish reached about 110 million tons in 2006, providing a per capita supply of 16.7 kg (live weight equivalent), consumed mainly in rich countries. The proportion of marine fish stocks that are overexploited, depleted or recovering from depletion rose from 10 per cent in 1974 to 32 per cent in 2008 (Food and Agriculture Organization of the United Nations, 2010; Worm and others, 2009).

The problem of overfishing has become particularly acute in the Atlantic Ocean, the Mediterranean Sea and the Black Sea where, in many parts, 50 per cent or more of fish stocks are outside their safe biological limits. The problem is less serious for the Pacific Ocean, although even there—particularly in the eastern central, northeast and southwest Pacific Ocean—about 10 per cent of fish stocks are overexploited (Environmental Performance Index, 2014, cited in Evers, 2015).

By contrast, some positive trends in fish stocks can be noticed, especially among SIDS, for whom fisheries and ecotourism are important economic sectors. Ensuring sustainability of the fish stock is therefore a necessary condition for sustainable economic development in these countries. Some developing countries other than SIDS have also paid attention to protection of fish stocks. For example, Cambodia and Ghana included the status of fish stocks as an indicator under MDG 7, and the Fisheries Administration in Cambodia has established fish sanctuaries covering over 46,000 ha (Cambodia, Ministry of Planning, 2013; Ghana, National Development Planning Commission and United Nations Development Programme, 2010).

## Biodiversity

Vanishing biodiversity is one of the major indicators to show the high degree of deterioration of ecology and environment. According to the Red List Index, which is available only at the global level, the proportion of endangered species expected to become extinct in the near future increased from 7.9 per cent in 1990 to 8.7 per cent in 2012.

The main factors of biodiversity loss include habitat loss and degradation, overexploitation of wild species, spread of alien invasive species, climate change and pollution. As biodiversity has already declined significantly in developed countries, the most recent negative changes were registered in developing countries with a higher baseline (Pinter, Almassy and Bizikova, 2015). Of the 133 local, regional and global extinctions of marine species documented worldwide over the last 200 years, 55 per cent were caused by overexploitation, while the remainder was driven by habitat loss and other threats (Dulvey and others, 2008).

While the percentage of threatened species is still increasing, the rate of increase has somewhat slowed down, likely as a result of improved protection efforts (Oxfam, 2013). The positive initiatives taken by many countries to increase their forest cover and to expand the proportion of protected terrestrial and marine areas should be helpful for preservation of biodiversity. Some countries introduced special indicators in MDG 7 to protect biodiversity. For example, Nepal included an indicator related to biodiversity of wetlands, and Viet Nam paid attention to the number of endangered species (United Nations, Economic and Social Commission for Asia and the Pacific, 2013). Nepal has implemented a Water Resource Strategy (2002) as well as a National Wetland Policy (2003), while the National Adaptation Plan of Action addresses issues of biodiversity at the watershed and landscape levels (Nepal, National Planning Commission, 2013). Viet Nam has tracked the number of threatened and endangered plant and animal species, although the results have been mixed as these numbers have been increasing along with reports of environmental violations (Viet Nam, Ministry of Planning and Investment, 2013). It is difficult to determine whether the increase in reported violations is a result of increased stresses on the environment or greater levels of enforcement of environmental rules.

**Improved protection efforts may have helped to slow the rate of increase of biodiversity loss**

## Improving drinking water, sanitation and slums<sup>9</sup>

The second part of MDG 7 (targets C and D) was devoted to the human development challenges concerning improving access to safe drinking water and basic sanitation, and living conditions in slums. Target C of this goal sought to halve, by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation. Target D was added in 2007, following a UN-Habitat (2003) report, which flagged slums as a major and growing challenge. It was formulated to have achieved, by 2020, a significant improvement in the lives of at least 100 million slum dwellers.<sup>10</sup>

<sup>9</sup> This section draws extensively from Satterthwaite (2015).

<sup>10</sup> Many observers considered this target as particularly underambitious, given the projection that developing-country urban populations would be increasing by 2 billion between 2000 and 2020, a large part of which was likely to end up in urban slums under the “business-as-usual” scenario. Also, many thought that by focusing narrowly on slums, target D might have missed an opportunity to frame the problem of slums in the broader context of sustainable urban development (Cohen, 2006).

Considerable achievement has been made with regard to both drinking water and sanitation, as noted recently in United Nations (2015a, p. 58-60). Between 1990 and 2015, the proportion of people using an improved drinking water source increased from 76 to 91 per cent, surpassing the MDG target for water, which was met globally in 2010. Sub-Saharan Africa fell short of the target but still achieved a 20 percentage point increase in the use of improved sources of drinking water. The proportion of the global population using an improved sanitation facility went up to 68 per cent in 2015, 14 percentage points more than in 1990—equivalent to 2.1 billion people gaining access. The world as a whole has missed the MDG target for sanitation; however, 95 countries have already met the target, 147 have met the drinking water target and 77 have met both. The rural-urban gap in both areas has also been reduced, although large gaps remain. On the other hand, between 2000 and 2014, more than 320 million people gained access to either an improved water source, improved sanitation, durable housing or less crowded housing conditions, all of which suggests that the target of improving the lives of at least 100 million slum dwellers was largely surpassed. The proportion of the urban population living in slums has fallen significantly in almost all regions; overall, it fell from approximately 39 per cent in 2000 to 30 per cent in 2014.

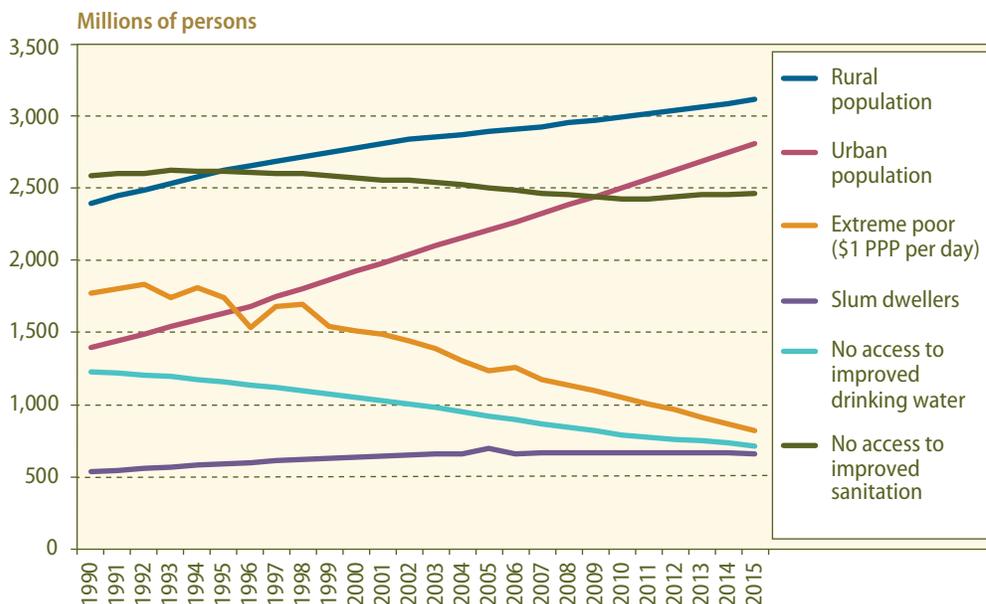
Policy interventions have contributed to the progress made thus far; however, important challenges remain. It is estimated that, in 2015, 663 million people worldwide (nearly half of which live in sub-Saharan Africa) still use unimproved drinking water sources such as unprotected wells and springs and surface water. Also, 2.4 billion people continue to use unimproved sanitation facilities, including 946 million people who are still practicing open defecation (*ibid.*). Open defecation raises the risk of contaminating other water sources and can potentially subvert gains in child survival rates and other health-related indicators (United Nations Children's Fund and World Health Organization, 2015). The global and regional statistics also often overstate the achievement in improved drinking water and sanitation. For example, 79 per cent of Nigeria's urban population and 49 per cent of its rural population had improved provision for water in 2012; yet, only 6 per cent of the urban population and 1 per cent of the rural population had water piped on premises.<sup>11</sup> Importantly, the rapid increase in total and urban population in particular has meant that there has been an increase in the absolute number of people not having safe drinking water and hygienic sanitation and living in slums. The slum population in developing countries increased from 550 million to more than 700 million between 1990 and 2015 (figure V.9). Globally, slum population is estimated to be closer to 1 billion and rising (UN-Habitat, 2013) and may soon surpass the number of poor, as measured by the definition of extreme poverty (i.e., living on \$1.25 or less per day). Only 17 countries out of the 59 developing countries that regularly reported data on slum dwellers experienced a decline in their slum population.

**The world met the target for improved drinking water sources; despite substantial progress, the target for sanitation will only be met after 2015**

**There are significant urban-rural disparities in access to improved drinking water and sanitation**

<sup>11</sup> In fact, during 1990-2012, the proportion of urban dwellers with water piped on premises in Nigeria fell from 33 to 6 per cent, and in rural areas the proportion fell from 3 to 1 per cent (Satterthwaite, 2015). Also, despite impressive global gains, most countries are falling short on meeting their own national commitments, with 83 and 70 per cent of countries reportedly falling significantly behind the trends required to meet their defined national access targets for sanitation and drinking water, respectively. See UN-Water (2012).

Figure V.9  
**Population (rural and urban), poverty, slum dwellers and people without improved drinking water and sanitation, 1990–2015**



Source: UN/DESA, based on data from United Nations MDG Database and from the United Nations Population Division.  
 Note: Data on slum dwellers cover 87 developing countries, with 28 countries having only a single observation. According to higher estimates of UN-Habitat (2013), the number of slum dwellers increased from 650 million in 1990 to 862 million in 2012 and is rising further.

### Initiatives for improving access to water and sanitation

Prior to the MDGs, countries that had a stronger tradition of government involvement in development in Northern Africa, Western, Central and East Asia, and Latin America, were already ahead of other developing regions in providing their population with quality access to drinking water (in the form of piped water supply) and basic sanitation (in the form of city-wide sewerage systems) in large urban centres. In 1990, more than 80 per cent of the urban population in these regions, except in East Asia, enjoyed piped water on premises and access to improved sanitation (Satterthwaite, 2015).

**Public investment and localization of services have contributed to achieving water and sanitation targets in some countries**

Governments in other regions began to intervene in the 2000s, especially as countries framed the water and sanitation challenges within the MDG framework. In Africa, for instance, Rwanda now aims at achieving universal access to drinking water and sanitation by 2017, as laid out in its National Water Supply and Sanitation Policy and Strategic Plan (Rwanda, Ministry of Infrastructure, 2010). The country had already achieved the target for improved sanitation according to indicator 7.9 by 2010/2011 and was expected to be close to reaching the target for improved drinking water sources according to indicator 7.8 in 2015. Progress is attributed to public investment in the sector as well as localization of services, whereby water and sanitation infrastructure has been distributed and managed by Districts (Rwanda, Ministry of Finance and Economic Planning, 2013). Rwanda is also promoting prioritization of basic services (“some for all” rather than “all for some”), decentralization of service provision, participation by communities, cost recovery and financial sustainability, preferential treatment of vulnerable groups, and a strong framework for monitoring results using a management information system. However, so far the more equal allocation of resources has generated most progress in rural areas, with slight negative repercussions for access to drinking water in urban centres (UN-Water, 2014). As seen in

the previous chapter, there are examples of health programmes that have failed to meet their objectives owing to a lack of universal coverage, and a similar problem has been observed for water and sanitation. Ethiopia made significant progress in water and sanitation with its Universal Access Plan, dedicating important financial and human resources with the declared objective of attaining integral coverage by 2020.<sup>12</sup> The country appeared to be on track to meet indicator 7.8 by 2015, with considerable progress occurring in rural areas. There is more limited evidence for indicator 7.9, but there are signs of considerable progress, albeit from a very low base (Ethiopia, Ministry of Finance and Economic Development, 2010).

Some middle-income countries, South Africa for example, have gone one step further by setting ambitious targets for achieving entirely free basic water and sanitation for extremely poor households, allocating public resources for a decentralized service delivery with strong monitoring frameworks. In 2012, 3.47 million and 1.84 million people benefited from free services for water and sanitation, respectively (UN-Water, 2014). However, many poor areas still suffer from lack of access or only have access to non-functional or broken infrastructure, with disproportionate impact on relatively overlooked parts of the population such as women, children and persons with disabilities (South African Human Rights Commission, 2014).<sup>13</sup> On the whole, the country had already met the target for access to improved drinking water sources by 2013 and anticipated that the target for improved sanitation facilities was likely to be met, although this is short of the self-imposed target of 100 per cent access to improved sanitation facilities by 2014. Deficits in sanitation facilities persist in rural areas and it was determined that a key barrier was lack of technical skills in particular municipalities (Republic of South Africa, 2013).

In South-East Asia, Cambodia increased national drinking water coverage by 50 percentage points since 1990 to almost 70 per cent in 2012, with Phnom Penh Water Supply Authority implementing policies to ensure that water is affordable for poor people, especially in urban areas. Cambodia has disaggregated indicators 7.8 and 7.9 into urban and rural targets as part of its adoption process—labelling all goals and targets as Cambodia Millennium Development Goals. The urban targets for improved drinking water sources and improved sanitation facilities, which are considerably higher than the rural indicators (80 per cent coverage for access to improved drinking water sources in urban areas versus 50 per cent for rural areas), had already been met by 2011, but rural targets were lagging behind for both indicators (Cambodia, Ministry of Planning, 2013). In more remote, less populated and poorer rural areas, where more significant investments are needed and less profits expected, the delivery of water and sanitation services remains low (UN-Water, 2014; World Health Organization and United Nations Children's Fund, 2014). This, as seen in previous chapters for social policies, stresses the necessity of providing access to underserved populations that are most difficult to reach.

---

<sup>12</sup> See Moriarty and others (2009); and Ethiopia, Ministry of Water and Energy (2010).

<sup>13</sup> It is also a concern that most of South Africa's water is used by business, especially agribusiness, mining, and other industries, at a relatively lower cost per kilolitre than the average cost to poor households (ibid.).

## Institutional coordination and decentralization

**Collaboration within government has been particularly important for achieving water and sanitation targets...**

Adequate collaboration within government has been necessary to ensure the success of policies and programmes in all of the areas covered by the MDGs (see chap. VI); however, it has been particularly needed in expanding access to drinking water and basic sanitation. For example, Uganda has succeeded in improving water service delivery through collaboration between the National Water and Sewerage Corporation, the Ministry of Water and Environment, the Water Policy Committee and other related ministries, such as the Ministry of Finance, Planning and Economic Development and the Ministry of Local Government. The country appeared to be on track to meet the water and sanitation targets of MDG 7 in rural areas, partly through those efforts as well as by taking important steps in combating corruption in the water sector (United Nations Development Programme, 2011; Uganda, Ministry of Finance, Planning and Economic Development, 2013).

**...along with adequate policy and legal frameworks, community participation, effective water management, and decentralization**

It has also been observed that sustainable provision of water to underserved populations, for example, requires adequate policy and legal frameworks, community participation (see below), and effective water management. These elements necessitate the development of democratic processes and the upgrading of technical skills of people in charge of water provision (Bos, 2006). The case of inter-institutional coordination within Uganda's Government for improving water service delivery was noted above. Likewise, China has markedly increased the proportion of the population using improved drinking water sources and improved sanitation facilities. While this satisfactory outcome has largely been associated with the scaling up of water supply and sanitation as a result of the country's rapid economic growth, other factors have also played an important role, particularly in rural areas. In this respect, Shuchen, Yong and Jiayi (2004) underscore, in the context of China, the importance of well-developed administrative and management arrangements, strong demand from local governments and rural residents, and decentralized and participatory mechanisms to deliver services, among others. These authors also observe that the simultaneous implementation of rural water supply, sanitation and health education for rural residents has called for governments at different levels to organize cross-sectoral collaboration of health bureaus, water resources bureaus, etc., for its implementation.

Decentralization has also proven to be a necessity to address the huge gap in the delivery of water and sanitation services between rural and urban areas and for unlocking MDG progress at local levels (see chap. VI). A cross-country panel regression study for a large number of sub-Saharan countries found that decentralization has a much more positive effect on rural provision of water and sanitation than other factors such as sectoral aid and reducing corruption (Wolf, 2009). In turn, decentralization has been considered one of the most effective mechanisms for addressing problems of corruption which seem to spread relatively easily through the operations, projects and funding of the health and water sectors (see chap. VI).

## Community-led initiatives

**Community-led initiatives have played a complementary role to public initiatives**

Public initiatives by both central and local governments, such as the above, have played the main role in expanding access to safe drinking water and basic sanitation. At the same time, community-led initiatives have also played an important role, which is most of the time complementary to the role of governments. A few such community initiatives are noted as follows.

The Orangi Pilot Project (OPP) in Pakistan demonstrated how inhabitants of a street or lane can band together to finance construction of sewerage pipe in their neighbourhood and then get it connected with the city-wide sewerage system. The local participation helped to keep the construction cost low. It then liaised with the municipal government and official water and sanitation agencies to get the small local pipes connected with big pipes of the cities. By August 2012, 107,090 households in Orangi had connections to sewers through 7,161 collective (lane) initiatives. Outside Orangi, the OPP-Research Training Institute supported similar initiatives in 44 cities and towns and 107 villages covering a population of more than 2 million (Hasan, 2006, 2008, 2010). These types of initiatives and broader policies to expand access have put the country on a trajectory to meet the drinking water target, although there were still some considerable gaps to be covered between urban and rural areas and between particular provinces (Pakistan, Planning Commission, 2013).

The community toilets in Mumbai represent another example of the role of bottom-up action to improve sanitation. The initiative started with a federation of women slum/pavement dwellers constructing community toilets and ensuring, through better management, that the toilets work better. This initiative was later supported and expanded through the alliance of Mahila Milan (“women together”), the National Federation of Slum Dwellers and the local NGO SPARC. Eventually, the municipal government of Mumbai strongly supported the whole process and developed capacity to support the federations in maintenance, repair and response when there were local difficulties. The alliance has built over 600 toilet blocks.

The Baan Mankong programme was set up by the Community Organizations Development Institute (CODI) of Thailand’s Government to provide support to community organizations formed by those living in informal settlements. CODI provided a range of loans that allowed these community organizations to design and manage an upgrading programme that also included their members being connected to cities’ piped water and sewer system. The community organizations worked together to bring in local governments and move from community initiatives to city-wide initiatives. By 2012, 91,000 households across 270 towns, cities and city districts had been upgraded and, for most of these, tenure for the inhabitants was achieved. This programme must have contributed to the country’s considering the drinking water and sanitation targets virtually met by 2009, and its decision to increase efforts towards improvement of living conditions, including slums. These achievements gave the Government more space to turn its attention to issues such as improving the quality of water and the conditions of public toilets to improve their accessibility (Thailand, Office of the National Economic and Social Development Board, 2009).

### Synergies and externalities

Efforts to improve access to and quality of water and sanitation have also featured prominently as part of broader development policies and programmes since the 2000s whose scope went beyond the water and sanitation sectors. These policies have, in many instances, triggered important synergies for achieving progress towards a number of other MDGs.

The synergies between MDGs 1 through 4 by way of programme implementation, particularly through the use of conditional cash transfer programmes, were noted in chapters III and IV. The provision of appropriate sanitation facilities at schools, for example,

**Efforts to improve access to water and sanitation have shown important synergies with other MDGs...**

raises girls' enrolment and ensures that they continue on with their education. The cisterns programme as part of the Fome Zero programme in Brazil has freed women from the duty of fetching water from distant sources and freed up time for education (and other activities). The availability of clean drinking water and sanitation has also been shown to help prevent infections and diarrhoea, thus leading to better nutritional outcomes for a given nutrition supply. Hence, there is evidence that efforts for improving access to drinking water and basic sanitation can simultaneously complement other efforts to achieve multiple development aspirations.

**...while also resulting in some positive environmental externalities**

At the same time that there have been important synergies, some environmental externalities—from expanding access to drinking water and sanitation—also became prominent after the MDGs were adopted. For example, cities have to rely either on surface or ground water sources to supply drinking water. Cities that rely on surface water bodies need to stay within sustainability limits. The problem is more serious with cities relying on groundwater. Unlike surface water, which is a renewable (as long as excessive extraction does not lead to depletion of the resource), groundwater is not easily renewable, and hence gets depleted soon. For example, in Dhaka, the capital of Bangladesh, dependence on groundwater for water supply has led to lowering of the groundwater table by more than 30 feet, creating the additional danger of subsidence (Hoque, Hoque and Ahmed, 2007).

Reflecting another externality, discharge of untreated urban sewage has become a major source of pollution of rivers and other surface water bodies. A study for Costa Rica, a country that has met the basic sanitation target, has warned that it is imperative for this country to face the negative externalities that are associated with meeting that target, notably the discharge of untreated urban sewage in rivers (Sánchez, 2013). This type of externality can be prevented not only because sewage can be treated before discharging but also because technologies have now become available for converting sewerage into clean drinking water. However, these technologies are costly and developing countries will need both technical and financial help to acquire and use these technologies. The Government of India recently announced the inauguration of a pilot project to treat sewage and supply 66,000 litres of drinking water daily to the surrounding areas in West Delhi, an administrative district of the National Capital Territory of Delhi in India.<sup>14</sup> This provides encouraging evidence that projects to improve access to drinking water and sanitation without damaging the environment may be feasible in developing countries.

### Improving the life of slum dwellers

**Dealing with root causes is the solution for reducing the number of slum dwellers...**

Even if people rise above the \$1.25/day poverty line, they can still fail to achieve decent living conditions and be forced to live in slums. For example, despite its huge success in reducing poverty, China registered the highest increase in the number of slum dwellers, from 130 million in 1990 to about 180 million in 2015 (Satterthwaite, 2015). In fact, as noted earlier, despite the success in improving the lives of at least 100 million slum dwellers, a situation is emerging in which the global number of slum dwellers may exceed, in the not so distant future, the total number of people living in extreme poverty (figure V.9).

<sup>14</sup> For more details, see press release from the Delhi Jal Board, available from [http://www.delhi.gov.in/wps/wcm/connect/5e5bbb00491605e2a793a7114f850e43/PR\\_09072015.pdf?MOD=AJPERES&lmod=-1749480591](http://www.delhi.gov.in/wps/wcm/connect/5e5bbb00491605e2a793a7114f850e43/PR_09072015.pdf?MOD=AJPERES&lmod=-1749480591).

The root cause of the increase in the number of slum dwellers lies in the overall socioeconomic process, including demographic processes, pattern of economic growth, nature of rural-urban migration, and pattern of urbanization. With 96 per cent of future population growth in developing countries expected to occur in urban areas, prevention of growth of slums proves to be a major challenge (World Bank, 2013e). Overcoming this challenge will require ensuring that economic growth is equitable, with gains reaching the low-income sections of the population so that they can afford to have decent housing and living conditions.

The overall responsibility for reducing the number of slum dwellers and improving the living conditions of the slum dwellers hence lies with national Governments, which have the capacity to influence the pattern of growth and urbanization. According to UN-Habitat estimates, several large developing countries such as Bangladesh, India, and Nigeria have recorded small declines in their slum populations and contributed to the deceleration of the rising global slum population. However, these estimates are very controversial as they do not rely on any official census or sufficiently representative surveys. Paucity and heterogeneity of data across and within countries remains a major challenge for credible assessment (see, e.g., India, Ministry of Housing and Urban Poverty Alleviation, 2010).

Initiatives by communities, non-governmental organizations, and local governments towards improvement of living conditions of slum dwellers, as mentioned above in the context of drinking water and sanitation services, can play only a limited, complementary role. The problems of slums cannot be tackled without addressing the underlying socioeconomic processes that generate the slums.

The lack of understanding of the underlying reasons for the slum problem sometimes has led to superficial, ultimately unsuccessful and even harmful measures. For example, there have been cases of misinterpretation of the UN-Habitat's slogan "Cities without Slums" that suggest forcible eviction of the slum dwellers without proper relocation arrangements. Often forceful evictions were the result of local contestation over prime urban land that could bring high financial returns through commercial development. Powerful social struggles had to be waged to prevent these steps from being implemented or reversed. For example, social struggles in South Africa progressively led authorities to put more emphasis on involving local representative organizations in slum upgrading *in situ* so as to preserve the only housing stock that is affordable to slum dwellers that is in proximity to their employment sources (Huchzermeyer, 2011).

Some scholars have suggested certain intermediate steps, such as granting tenure rights to the slum dwellers as a way to strengthen their economic and social position.<sup>15</sup> Such rights could help slum dwellers prevent forced eviction and gain access to various public services. They can also leverage these rights to get credit, increase their earning, and improve their living conditions. Various practicalities however often make granting of tenure rights difficult. Another idea is to promote microfinance, including microcredit that does not require collateral and therefore works even if the slum dwellers do not have ownership rights on their dwellings. In Bangladesh and several other countries, microcredit has indeed expanded among slum dwellers, although stable group formation proves more difficult in slums than in villages, for obvious reasons. Finally, experience from several developing countries shows that increasing the scope for education, health care, training

**...although intermediate steps such as granting tenure and providing microfinancing can be helpful**

15 See, for example, De Soto (1989) and De Soto and Cheneval (2006).

and upgrading skills can help to build human capital and break the generational cycle of poverty and slum dwelling (Satterthwaite, 2015).

## Lessons and their implications going forward

There were efforts between 2000 and 2015 that resulted in progress towards the achievement of environmental goals, which in many but not all instances were driven by the MDGs. It is important to draw overarching and specific lessons with regard to these efforts, considering that all the SDGs embed the environmental dimension of sustainable development. These lessons are summarized as follows.

### Overarching lessons

*First*, progress made in some environmental areas has not been sustained and it has been difficult to trace the sluggishness of this progress in a timely manner in the absence of time-bound quantitative targets whose monitoring may have prompted policy action. This lesson may be important for the SDGs, many of which have been formulated in qualitative terms. The positive impact of quantitatively specified targets, however, has to be balanced against the problems that may arise when the targets and indicators are chosen inappropriately and are interpreted in a one-size-fits-all fashion. Monitoring of quantitative targets by countries needs to be complemented by qualitative reporting that can inform policy decision makers about the substance of reported quantitative achievement.

*Second*, policies should be devised to make use of the interconnections among various environmental goals themselves and between environmental goals, on the one hand, and human development goals, on the other. For example, conditional cash transfers can both raise income and provide more access to basic services while facilitating the protection of the environment. Going forward, more emphasis on using these interlinkages will be necessary and it will require finding targets and indicators that can capture these interlinkages in an integrated manner as well as implementing coherent policies to achieve the targets.

*Third*, the environment has emerged as the quintessential global public good, the protection of which requires global efforts that transcend the traditional developed-developing country divide and the related donor-recipient framework. The emergence of many global funds addressing various global environmental issues since the MDGs were adopted seems to be a clear manifestation of the growing recognition of the necessity of global cooperation on the basis of the principles of solidarity and universality. The necessity of this new type of global cooperation will be more important because the new development agenda is universal.

*Fourth*, while it is important to have grand global agreements on environmental issues, decentralized actions are equally important. Going forward, the necessity of various regional, national and subnational initiatives will remain acute and the scope and role of multi-stakeholder efforts at both international and national levels for solving environmental problems will increase as the new sustainable development agenda is embraced.

### Specific lessons

*First*, the achievement of MDG 7 with regard to atmospheric issues relied on the UNFCCC, which did not yield the desired results. Much more effort will be necessary to ensure the

success of the UNFCCC process, on which the SDG on climate change will rely for setting CO<sub>2</sub> emission-reduction targets. The international community will have to make sure that the UNFCCC process gives way to necessary cooperation between developed countries and the large, fast-growing developing countries. International agreement needs to be grounded on the Rio CBDR principle, such that climate change mitigation efforts will have to allow growth opportunities as well as financial and technical assistance for countries where (i) vast numbers of people are still deprived of the basic material standard of living and (ii) adaptation is a pressing concern. While it is critical to have an ambitious global agreement on climate change, it is also important to continue all regional, national, subnational, community-level and individual-level efforts towards mitigation and adaptation that proved effective in making progress towards achieving MDG-7 targets.

*Second*, the importance of forests did not find adequate reflection in the MDGs; but the SDGs have taken note of this lesson and included sustainable management of forests as a goal. Efforts towards protection of forests will have to be combined with efforts towards sustainable production and consumption patterns, in both developed and developing countries. They will also have to acknowledge that deforestation is caused by factors beyond the forest sector's control, necessitating integral approaches, for example between agriculture and forest sectors to address the issue of conversion of forests into agricultural land. In the same vein, the special role of forests in the life and livelihood of people living in poverty and indigenous peoples has to be given adequate attention. The best practices in forest protection and management that have emerged in developed countries, such as under the European Commission's NATURA 2000 initiative, need to be disseminated widely for possible emulation going forward.

*Third*, the idea of protection of terrestrial and marine areas has been a useful step forward in capturing the interlinkages that exist among various environmental dimensions. Thus, protection of certain land and sea areas can be helpful for simultaneously protecting forests, wetlands, biodiversity, water resources, fish stock and so forth. This in turn is critical for avoiding economic hardships, social tension and conflicts. Addressing the issue of climate change should also be expected to facilitate the protection of terrestrial and marine areas. This calls for the necessity of ensuring that policies are coherent enough (and properly backed up by legislation where necessary) to make the most of the interlinked dimensions of the environment, alone and in conjunction with the social and economic dimensions of development.

*Fourth*, adequate drinking water and sanitation infrastructure can best be built through public initiatives, complemented by various community and non-governmental initiatives. The infrastructure should be environmentally friendly to avoid the negative externalities that have emerged as countries expanded their access to drinking water and sanitation. For example, in supplying drinking water for urban dwellers, attention has to be paid to the sustainability of the water source. To the extent that the groundwater table is largely non-renewable, the long-term viable option is to rely on surface water bodies, so long as the rate of extraction stays within the sustainability limit. Much more attention has to be given to conservation, reuse and recycling of water. Larger issues of sustainable population and urbanization growth will have to be addressed as well, in order to ensure sustainable access to safe drinking water. The other problematic area, the discharge of untreated sewage into waterbodies, should also be adequately addressed. Technologies that can convert sewage into clean potable water should be made affordable and promoted widely.

*Fifth*, a shallow, superficial view of the slums problem and the corresponding mechanical, unsustainable, and often cruel solutions (such as forceful eviction of slum dwellers, in the name of beautification of cities, and without making any alternative arrangement for their housing and livelihood) must be avoided going forward. Instead, the basic socioeconomic processes in which the slum problem is rooted need to be changed. The solution to the slum problem has to be sought in sustained, inclusive and equitable economic growth, driven by sustainable patterns of production and consumption, sustainable urbanization, and human development. Some intermediate steps towards improvement of the lives of slum dwellers will need to be taken in the meantime, including granting of tenure rights, provision of microfinancing services, increasing access to public services related to health and education, and providing social protection.

## Chapter VI

# Governance and institutions

### Summary

- Governance issues have played a significant role in countries' progress towards achieving the Millennium Development Goals (MDGs). The effective implementation of policies for achieving MDGs required the appropriate governance structures as well as the overall application of good governance principles.
- Successful policy implementation for development begins with leadership that possesses a clear vision of the desired outcomes and the potential policy pathways for achievement. There are examples of this type of leadership that predate the MDGs but led to progress on these goals later on, as well as efforts by leaders prompted more directly by the MDGs.
- Policy coherence and coordination within governments are important for development policy in general, especially in resource-constrained contexts. National policy coordination has been a relevant factor in achieving MDGs in some countries, although lack of capacity has limited this in others. The use of information and communication technology has facilitated coordination and accountability as well as service delivery.
- Decentralization has been a necessity in view of government capacity constraints; it has been a critical mechanism for engaging communities and ensuring more transparent governance. This in turn has facilitated MDG achievements—for example, through improving service delivery in education and health, and raising gender awareness and coverage.
- In situations where governments lack the resources to provide key services for target populations, partnerships with a variety of non-governmental actors at global, national and local levels have proven a relevant avenue both for enabling achievement of the MDGs and improving governance.
- Good governance requires accountability, which necessitates effective monitoring and evaluation. The use of supreme audit institutions has been an important factor in tracking progress and ensuring efficient use of resources across all levels of government. More broadly, monitoring and evaluation systems have improved accountability while increasing coordination and coherence across governments.

## Introduction

**The departments, ministries, groups or governments implementing development policies have been as important as the policies themselves**

The departments, ministries, groups or governments that implement economic, social and environmental policies—like those reviewed in the previous chapters—are as important for achieving development goals as the policies themselves. There is evidence that developing countries that started MDG implementation with good policies and institutions have done better in achieving these goals (Go and Quijada, 2011). Institutions go beyond national Governments, although Governments play a fundamental role in integrating and working with all relevant institutions. The Millennium Declaration recognized that success in meeting development goals depends, *inter alia*, on good governance within each country. This chapter reviews the roles of national governance and institutions as critical enablers to achieving development goals, focusing on MDG efforts since 2000, as much as the available evidence permits. The review serves to draw lessons for the implementation of the 2030 Agenda for Sustainable Development, which will seek to build effective, accountable and inclusive institutions at all levels (for example, as proposed in Sustainable Development Goal (SDG) 16).

National governance, the main focus of this chapter, is broadly defined as the exercise of economic, political and administrative authority to manage a country's affairs at all levels, and it comprises mechanisms, processes and institutions, through which citizens and groups articulate their interests, exercise their legal rights, meet their obligations and mediate their differences (United Nations Development Programme, 1997b). Specific forms of governance practices vary widely across countries and are shaped by each country's political, social and economic contexts, but good governance in general comprises the rule of law, effective institutions, transparency and accountability in the management of public affairs, respect for human rights, and the participation of all citizens in the decisions that affect their lives.<sup>1</sup> Good governance also requires effective political leadership that promotes strategic vision and broad consensus on policies and procedures that are needed to foster peace, stability and development.<sup>2</sup>

**Governance and institutions were an important factor in implementation of the MDG agenda**

Although the MDGs mainly embodied goals and targets in the area of human development, this chapter hopes to demonstrate how the implementation of the MDG agenda underscores the importance of governance and institutions—not only within countries but also between them—for the achievement of the goals. The focus is on national governance and institutions because, in general, this *Survey* focuses on implementation of policies in countries. Nonetheless, the role of critical global and regional actors that have facilitated development policy implementation is duly acknowledged. For example, the chapter describes the role of global partnerships that have enabled national policy implementation, although the issue of how such global partnerships feature as part of larger efforts for promoting better governance at the global level is beyond the scope of the chapter.

The following section discusses the critical role of good governance and effective institutions, beginning with the need for clear leadership and strategic vision for development. This is followed by a discussion on policy coordination at the national and local government levels and decentralized delivery of services, which are all critical for good governance and policy implementation. Partnerships with non-governmental actors are discussed next,

<sup>1</sup> United Nations, General Assembly (2000a).

<sup>2</sup> United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and the Small Island Developing States, and United Nations Development Programme (2006).

with a focus not only on partnerships within countries, but also on global partnerships and initiatives that have brought about a number of actors enabling policy implementation at the country level. This is followed by a section on accountability, monitoring and evaluation. The chapter concludes with a summary of key lessons and discusses their implications for the implementation of the 2030 Agenda for Sustainable Development.

### **The role of good governance and effective institutions<sup>3</sup>**

An effective governance structure must be in place as a foundation for the implementation of development policy. The degree to which good governance played a role in poverty reduction over the period since the MDGs were adopted is debatable (Kwon and Kim, 2014). Even so, there are important factors in implementing policies that are necessary for achieving any development goal, some of which are introduced in this section. For example, leadership that is accountable and possesses a clear idea of development objectives is a necessity. In order for these objectives to be met while avoiding detrimental trade-offs or overlaps, policies must be properly integrated into the existing governance structures. Policy coherence and coordination are particularly important aspects of effective development policies when operating in a resource-constrained environment. This has occurred through the implementation of national programmes that take into account or absorb existing ministerial operations or consolidate and coordinate the various disparate operations into a more coherent whole. Information and communications technologies (ICT) has become an important enabling factor for this type of coordination and oversight. Furthermore, effective policy implementation and service provision for these types of programmes has benefited from decentralization, which has proven to be an important way of properly providing for differentiated segments of the population. Proper implementation of decentralization requires that good governance structures are in place in order to ensure that local units can best target and serve those in need while, at the same time, operating responsively to both local populations and to larger government operations. These important factors of governance are discussed in the subsequent sections on partnerships with non-governmental actors and accountability, monitoring and evaluation.

Other important factors such as partnerships with non-governmental actors and the necessity of monitoring and evaluation for ensuring accountability and efficiency are discussed below. All of these aspects of governance, while not necessarily unique to the period after the MDGs were adopted, were all equally important to the implementation of policies affecting the achievement of the MDGs.

### **Accountable leadership and strategic vision for development**

Transformational and accountable political leadership, which is responsive to the needs and aspirations of its citizens, is one of the most critical determinants of good governance. Responsive and responsible leadership can foster good governance, build capable institutions, enhance accountability and transparency and deliver peace, stability and development, as seen in many regions of the world. The strategic vision of a country's leadership, translated into national plans and development strategies, can help mobilize

---

<sup>3</sup> This section draws extensively from Sánchez, Julca and Winkel (2015a), which provides more detailed examples and analysis with regard to governance and institutions for development goals.

**Strong commitment  
from top leadership was  
critical for MDG adoption  
and making progress  
towards achieving  
the MDGs**

resources and partnerships among all actors—other political leaders, public administration, non-governmental actors and private sectors. Successful leadership can broaden voice, participation and accountability, diffuse discontent and promote social cohesion. It can also facilitate policy coherence and coordination and ensure that actions at all levels of government are fully aligned to pursue broader development objectives.

There is evidence that strong and unequivocal commitment to development from top leadership was critical for prompting countries to adopt the MDGs (as discussed in chap. I) and to subsequently implement policies that eventually resulted in progress towards achieving these goals, even with limited resources. Brazil, China and Rwanda—as well as a number of other countries not discussed here—provide useful examples of steps by leadership that subsequently contributed to making progress towards achieving the MDGs.

In 2003, the new political leadership in Brazil identified combating hunger and poverty as the most critical development priority. The Extraordinary Ministry for Food Security (MESA), within the office of the President, was created, and budget allocations to MESA were second only to health and education. Further resources were required to eliminate hunger, nonetheless. A fund for combating poverty was established to mobilize resources from private sources. Civil society organizations (CSOs), including churches, were mobilized to operate community kitchens or volunteer foodstuffs and labour to serve town residents, especially children, while the Government contributed funding. These efforts were complemented with a monthly income transfer to poor families, under the auspices of the Bolsa Família programme (Graziano Da Silva, Del Grossi and De França, eds., 2011)—which was introduced in chapter III. Good leadership is also important for the ensuing success and financial sustainability of these efforts after their introduction. Bolsa Família has so far proven to be sustainable—which is also observed to be the case of other pioneering cash transfers programmes in Latin America. Data from Brazil's Government show that expenditures related to Bolsa Família went up to represent 0.49 per cent of gross domestic product (GDP) in 2014, from 0.28 in 2004, and approximately 14 million families are currently benefiting from the programme. The strong commitment of the political leadership not only reduced hunger significantly but also contributed to other achievements such as higher school attendance rates.

Similarly, the strong economic performance in China during the past thirty years not only reduced poverty in the country, but also contributed to the global achievement of MDG 1, as China alone reduced poverty by 600 million in the past three decades. A major impetus for this success was a series of reforms initiated by the political leadership in the late 1970s and early 1980s, well before the MDGs were adopted, but with effects that spread well into the period when the achievement of the goals was pursued. Beginning in 1978, the “reform and opening” dismantled the communes and introduced the Household Responsibility System, leading to massive increases in agricultural output. This was also supported by reforms in village governance, farm output prices and input availabilities (Ravallion, 2009). The Chinese leadership undertook measures to develop closer relations with major developed countries and gradually strengthened trade ties through the “open-door” policies of the early 1980s, ensuring that reforms were well designed and that leaders followed through on them (Du, 2006). This required both a long-term vision, political stability and the ability to carry out reforms over an extended period.

In Rwanda, the political leadership at the highest level voiced support for women's empowerment and mainstreamed women in leadership positions beginning in 1994 (Debusscher and Ansoms, 2013). The leadership prompted efforts at all levels of government

that contributed to the goal of promoting gender equality and empowering women (MDG 3). Not only has Rwanda achieved gender parity in literacy and enrolment rates at the primary level, but the number of women in politics and decision-making positions sharply increased over the last decades. In 1998, the newly created Ministry of Gender and Family Promotion conducted elections for Women's Councils that were an important step towards boosting representation, including increasing the number of women in parliament. Efforts also included a constitutional requirement that women occupy at least 30 per cent of decision-making posts. Women currently hold almost 64 per cent of the seats in Rwanda's Parliament, the highest percentage of women in parliament in the world. Since 2003, about two thirds of the cabinet members have also been women.

### Policy coherence and coordination

Effective coordination and coherence of policies are critical for promoting good governance and ensuring successful implementation of development projects and programmes. Policy coherence requires “the systematic promotion of mutually reinforcing policies across government departments and agencies creating synergies towards achieving the defined objective” (Organization for Economic Cooperation and Development, 2001, box 13). Based on concrete examples associated with efforts towards the achievement of the MDGs, previous chapters have pointed out that policy coherence is necessary for minimizing undesirable trade-offs and maximizing potential synergies from implementing economic, social and environmental policies. On the other hand, policy coordination generally means an interactive process of communication and decision-making among various agencies to align actions and resources with a view to realizing a common goal (ibid.). That is, policy coherence can only be achieved through good policy coordination.

Coordination between sectoral ministries, on the one hand, and planning and financing authorities, on the other, has often been a formidable challenge for many developing countries. A number of countries adopted national development strategies and Poverty Reduction Strategy Papers (PRSPs), but it is not clear to what extent these strategies helped to ensure a certain degree of policy coherence in pursuing their development goals. The translation of national development strategies and plans into public expenditure programmes within a coherent multi-year macroeconomic and fiscal framework, in particular, has required effective coordination, not least because public financial management itself is very challenging. As discussed in chapter II, a number of countries introduced medium-term expenditure frameworks (MTEF) to improve fiscal performance and to enhance coherence between budget and development outputs and outcomes, including for some MDGs. While MTEFs generally improved allocative efficiency, which ensured greater alignment between allocation and expenditures and reduced volatility in sectoral allocation of budgets, they did not necessarily increase coherence or reduce duplication. More generally, only a handful of developing countries have succeeded in executing development policies within a budgetary framework since the MDGs were adopted. Weak public financial management systems—including lack of effective internal financial controls and external and independent oversight from legislative bodies and supreme audit institutions—continue to pose a governance challenge that undermines national development efforts.

Absent an indicator that can measure policy coordination, it is critical to review examples of effective coordination at the national level that produced good outcomes that appear to have facilitated making progress towards achievement of the MDGs. Good

**Policy coherence is necessary for minimizing trade-offs and maximizing synergies, but it requires sound policy coordination...**

**...which has been a challenge for many countries**

coordination starts with line ministries. For example, Bangladesh has been on track to meet the targets for reducing infant mortality and improving maternal health through implementation of a National Health Policy and strengthened coordination between the Planning Commission, the Ministry of Health and Family Welfare, and the Ministry of Women and Children Affairs.<sup>4</sup> At the same time, coordination with other actors beyond political leaders and central Governments is critical. For example, while the success of Brazil's Bolsa Família programme is partly attributed to strong leadership, as noted above, effective coordination between the national Government and municipal authorities and CSOs also played a fundamental role. The Ministry of Social Development signed formal joint management agreements with each municipality to clarify responsibilities and to establish minimum standards for implementation. It also provided performance-based financial incentives to the municipal authorities to enhance effectiveness.

National level coordination has been particularly important for accelerating progress on MDG 6—combating HIV/AIDS, malaria and other diseases—in many sub-Saharan African countries. The United Republic of Tanzania, for example, took significant steps to integrate and coordinate programmes across different levels of government through the National Multi-Sector Strategic Framework for HIV/AIDS (NMSF) coordinated by the United Republic of Tanzania Commission for AIDS (Tanzania Commission for AIDS, 2013). At the parliamentary level, there is collaboration between the Parliamentary Standing Committee responsible for HIV/AIDS and Drug Abuse and other sector-specific committees that oversee and govern strategies that impact on the NMSF, such as Finance and economic affairs, Industry and trade, Health and social welfare, Community development, Gender and children, and Agriculture. In support of the Cabinet, the Inter-Ministerial Technical Committee oversees and governs all ministries, departments and agencies to ensure proper collaborative efforts across all types of projects, not just those related to HIV/AIDS. In order for the NMSF to operate as expected, it also had to rely on local governments, the private sector and CSOs.

**Public administration capacity is often a constraint for policy coordination and coherence**

Efforts to achieve policy coordination and coherence are not only constrained by the number of actors that need to be involved and coordinated, but also by the capacities of public administration, particularly to deliver basic public services. The shortage in delivering public services stems from several factors, some of which have been described in previous chapters in the context of education, health and sanitation service delivery. Weak human and institutional capacity plays a critical role, particularly in formulating and executing investment projects. Furthermore, service delivery is also affected by low implementation of the development budgets in many developing countries where Governments have no capacity to fully spend their budgeted expenditures. Evidence from a study covering 118 countries shows that countries with small populations, particularly the small island developing States (SIDS) in the Pacific, possess serious deficits of technical skills for fulfilling all functions associated with public financial management (Haque, Knight and Jayasuriya, 2012). Poor pay and compensation and the associated prevalence of corruption in public service also affect the service delivery that is necessary for achieving development goals.

**ICT and monitoring and evaluation frameworks have helped improve public service delivery**

Notwithstanding the challenges in policy coordination, many developing countries have taken advantage of ICT, as well as monitoring and evaluation frameworks, to improve the delivery of basic public services, particularly in areas of public utilities and social protection. The *2014 UN E-Government Survey* found that “Several governments across

<sup>4</sup> For more details, see Bangladesh (2009).

the world are adopting whole-of-government or collaborative approaches through the promotion of horizontal and/or vertical initiatives, greatly aided by modern technologies” (United Nations, 2014c, p. 77). Chapter IV of the *E-Government Survey* noted the example of Oman, whose move from manual records to IT-based Mother and Child programmes resulted in impressive reductions of maternal and child mortality. Public sector innovations in e-government—digital interactions between governments and people—stand out prominently as they are contributing to making public administration more efficient, accountable and transparent. E-government platforms are also facilitating inter-agency coordination of policies and programmes. During the period after the MDGs were adopted, e-governments also contributed to promoting social inclusion, through improving access to information about government services and employment opportunities and facilitating delivery of public services. The rapid increase in the proliferation of mobile-cellular subscriptions and the related increase in mobile broadband subscriptions—in line with the goals for MDG target 8.F (see annex)—could be an important platform for future e-government efforts. In addition, all 193 United Nations Member States had central government websites as of 2014 (United Nations, 2014d).

### Local governments and decentralized delivery of services

Decentralization can be a critical element of good governance and development when it becomes a necessity for a government to be able to serve an underserved population from a close proximity. In such a particular context, compared to a centralized system of governance, a local government is likely to be more efficient and equitable in delivering basic services and more accountable to the people. Many of the examples presented in previous chapters on social policies implemented by local governments corroborate this observation.

During the past three decades, a majority of the countries adopted some form of decentralization—leading to one or more tiers of local governments—seeking to make their governance structures more legitimate, efficient and accountable. A World Bank study on 182 countries finds that 26 per cent of the countries have one tier of local government, 46 per cent have two tiers, while 23 per cent and 6 per cent have three and four tiers, respectively (Ivanyna and Shah, 2012). Evidence from the provision of Nigeria’s Conditional Grant Scheme by means of partnerships between local, subnational and national governments has shown that local and state governments are better positioned to implement development projects, and the federal Government may better concentrate on planning, coordination and monitoring and evaluation (Zamba and Oboh, 2013).

Growing decentralization has proven to be important in some countries both for engaging communities and for enabling more transparent governance for implementing programmes that have eventually supported progress towards achieving the MDGs. The MDG progress reports of Bangladesh, for example, reiterate the fact that elections at the subdistrict level have strengthened local governance in the country.<sup>5</sup> The nature of the relationship between citizens and governments has changed as a result, creating a more enabling environment for implementation of development policies at the local level. In Indonesia, directly elected district officials have become more responsive to local needs, at least in the health sector (Skoufias and others, 2014).

**Decentralization is a critical bridge to reaching underserved populations...**

**...and is also relevant for increasing transparency...**

<sup>5</sup> See Bangladesh (2009).

Studies show that decentralization of decision-making, empowerment of schools and communities, and promotion of greater local-level accountability have contributed to the increase in enrolment, thus facilitating the achievement of MDG 2 in countries like Ethiopia, Ghana, Kenya, Malawi and Mozambique (United Nations Children's Fund and World Bank, 2009). A process of participatory planning coordinated by the Minister of Education and territorial authorities in Cote d'Ivoire led to the development of an action plan in 2009 including the installation of infrastructure and equipment in preschools and primary and secondary schools throughout the country (United Nations Development Group, 2010). Subsequently, the net enrolment ratio for girls increased from 56.3 per cent in 2009 to 75.4 per cent in 2013—according to United Nations MDG statistics.

Uganda passed the Local Government Act in 1997, which led to the adoption of the National Fiscal Decentralization Policy and the creation of the District Development Programme (DDP) to achieve greater efficiency in service provision at the local level. DDPs implemented targeted, gender-sensitive policy frameworks, which enabled the poor to communicate their needs to local governments and influence the allocation of resources to sectors that had greater growth, human development and poverty reduction potential. The decentralization process also reduced the information costs of identifying the poor and the transaction costs of designing interventions for poverty reduction, health and education. A study by Boko and Balamoune-Lutz (2009) for Uganda found that there is a negative correlation (-0.17) between intergovernmental transfers (driven by decentralization) and the Human Poverty Index and a positive correlation (0.46) between intergovernmental transfers and the Human Development Index. This suggests that decentralization can lead to a greater reduction of poverty (United Nations Development Group, 2010). Since the Local Government Act was signed in 1997, poverty has decreased by 30.8 per cent nationwide in Uganda, with a 30.5 per cent reduction in rural areas (*ibid.*).

Decentralization has also been a helpful mechanism for addressing the huge gap in the delivery of services between rural and urban areas, and for unlocking MDG progress at local levels. It has been found to have a much more positive effect on rural provision of water and sanitation than other factors, such as increasing sectoral aid or reducing corruption, according to a cross-country panel regression study for a large number of sub-Saharan countries (Wolf, 2009). In Central Java, decentralized plans prompted by the MDG Acceleration Framework (MAF) have been implemented to address, specifically, the apparent plateauing of the maternal mortality rate that this populous Indonesian province saw over the last few years as well as the wide variation of this rate across districts and towns of the province (United Nations Development Programme, 2013).

**...although it can pose coordination and resource mobilization challenges**

While decentralization can facilitate service delivery at the local level, it can also pose new challenges to coordination and resource mobilization. Securing a fiscal envelope for implementation of policies and programmes at the local level, in particular, is more cumbersome than securing it at the central government level. The efficiency of intergovernmental transfers is essential for development results, as well as the mobilization of resources by decentralized government agencies themselves. In spite of the challenges, there are encouraging examples of coordination in this regard. A recent report on Ethiopia shows that while intergovernmental fiscal transfers fund basic service delivery at the district level (*woreda*), some districts manage to raise their own revenues, including through development partners (World Bank, 2014b). This is done through the Promotion of Basic Services programme, which not only provides development-partner resources for service provision, but also supports a variety of measures designed to improve service quality as well

as local government capacity, which are critical for success. The programme also supports the direct voice of citizens by emphasizing transparency and good governance for the block grants through a variety of measures. The report shows that district-level spending has been a very effective way of enabling progress towards achieving the MDGs in Ethiopia. For example, it shows that a US\$ 1 increase in district health spending per capita is associated with increases in the contraceptive prevalence rate of 6.4 per cent, in the percentage of births delivered by skilled birth attendants of 11.3 per cent, and in coverage of antenatal care by 3.6 per cent. Child and maternal mortality rates can be reduced as a result. With regard to education, an increase of US\$ 1 per capita in district-level education spending is associated with a 3.6 per cent increase in the net primary enrolment rate within that district.

Success of decentralization also often depends on the capacity and motivation of leadership at the local level. Lack of planning and administrative capacity among public servants at the local level can lead to wasteful use of scarce resources. Weak public financial management, lack of accountability and ineffective oversight mechanisms can also breed inefficiencies and corruption in local governments. Political and fiscal decentralization are often stymied by excessive dependence on transfers from central governments and the chronic inability of local governments to raise resources locally. For decentralization to succeed and facilitate the efficient delivery of public services, capacity-building of local governments for planning, public financial management and local resource mobilization needs to be a priority. Local governments also need effective oversight and external audits to ensure their accountability and prevent corruption.

## Partnerships with non-governmental actors

Forging partnerships with non-governmental actors at national and subnational levels has become an imperative to promote good governance that is necessary for pursuing development objectives. Given the capacity and resource constraints in government, CSOs and non-governmental organizations (NGOs) have emerged as critical actors in the development processes, contributing directly and indirectly to the process of poverty reduction and attainment of other MDG targets associated especially with health, education and gender. Partnerships between government and non-governmental actors, mostly at the national level, have proved critical in enhancing the voice and participation of citizens and promoting a rights-based approach to development. Global partnerships, on the other hand, have become necessary mechanisms for supporting policy implementation in countries, particularly in the least developed countries.

**Civil society organizations and non-governmental organizations have made significant contributions to MDG achievement in a number of areas...**

## CSOs and NGOs as critical partners for development

In the past few decades, CSOs and NGOs have increasingly participated in national development efforts as (i) partners and stakeholders in the design and implementation of development strategies; (ii) providers of services, particularly in health, education and microfinance sectors; and (iii) watchdogs to ensure government fulfilment of commitments (Ghaus-Pasha, 2004). In many countries, the absence of effective governance—or at least the perception that governments are unable or unwilling to respond to citizens' needs and be transparent in their decision-making processes—has led to a larger developmental role for CSOs and NGOs. Civil society and communities have found it necessary to develop the ability to build consensus, advocate for their own interests, or partner with the government

**...and have helped  
to improve both  
governance and  
service delivery**

(and the private sector) to pursue these interests. A number of initiatives and results at the country level, both national and subnational, reveal that effective and well-managed development policies and strategies have been supported by partners at all levels, including CSOs and NGOs that work with local governments.

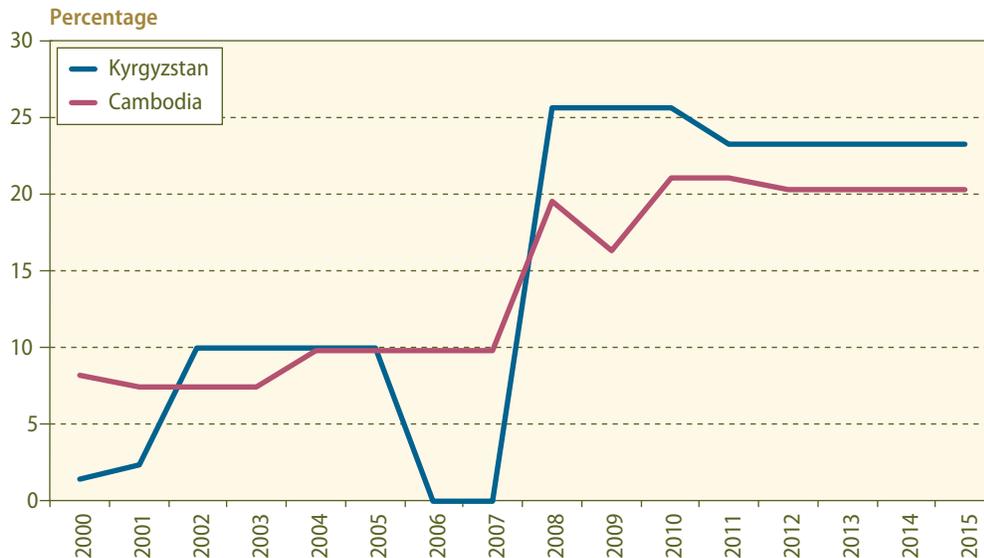
The partnerships with CSOs and NGOs have contributed not only to improving governance, but also to enhancing the effectiveness and outreach of service delivery to marginalized groups or groups who live in very remote areas. In Egypt, a partnership among the Ministry of Education, international organizations, NGOs and small companies and workshops—under the auspices of the National Council for Childhood and Motherhood—successfully provided mobile schooling to street and working children. While the commitment of the Ministry of Education to diversify the education delivery mechanisms was a key to its success, partnership with NGOs facilitated the development of curricula that met the specific needs of street children and ensured quality and flexibility in the delivery mechanism (DeStefano and others, 2007; United Nations Development Group, 2010).<sup>6</sup>

Bhutan has successfully carried out several community-based nutrition initiatives, including promotion of school agriculture and household kitchen gardens, and enhancing livestock rearing and food production. At the same time, there has been widespread introduction of community schools across the country, for which the Government has provided the building materials and recurrent costs of teacher salaries and textbooks/stationery expenditures. Community schools in Bangladesh, Bhutan, Indonesia and other countries have considerably reduced walking distances to schools, addressing parental concerns for access, well-being and safety of girl students (Dundar and others, 2014). In the case of Indonesia, there is evidence that school committees holding democratic elections for members has proved to be an effective way to get parents more involved in their children's schoolwork (World Bank, 2012b).

The Committee to Promote Women in Politics (CPWP), a coalition of seven NGOs in Cambodia, developed a non-partisan training and support network to increase women's participation in politics. Effective partnerships between the Government of Cambodia, the national parliament and CPWP contributed to significantly increasing women's representation in the parliament since the MDGs were adopted. Cambodia's partnership for promoting gender equity contributed to strengthening the capacity of key government partners, including the Ministry of Women's Affairs (MoWA), to mainstream gender in national development plans and strategies. The partnership between MoWA and NGOs also managed to establish gender mainstreaming action groups in line ministries to facilitate a common approach to gender mainstreaming and accelerating the realization of MDG 3. Similarly, establishment of a broad alliance that engaged relevant government ministries, women members of Parliament, gender experts and most active women's NGOs from all regions of the country contributed to making Kyrgyzstan a leader among Central Asian countries in women's representation in Parliament. Cambodia and Kyrgyzstan are among the developing countries that have significantly increased the proportion of women in national parliaments (figure VI.1).

<sup>6</sup> It is difficult to say exactly what has happened with these initiatives after the Arab Spring. A UNESCO report on out-of-school children in the Arab Region seems to imply that these types of programmes are still ongoing, and while it refers to the Arab Spring, it does not specifically suggest that it has disrupted various programmes to get children into schools (United Nations Children's Fund, Middle East and North Africa Region, 2014).

Figure VI.1  
**Proportion of women in national parliaments in Cambodia and Kyrgyzstan, 2000–2015**



Source: UN/DESA, based on United Nations MDG Database.

In a number of countries, Governments often needed to rely on the private sector to achieve necessary improvements in service delivery, especially in critical social areas such as education and health. For example, private providers play a significant role in the health sector in Africa, serving all income levels across sub-Saharan Africa's health systems. A comprehensive World Bank study identifies dialogues and exchange of information, regulatory frameworks and financing mechanisms among the critical elements of successful partnerships between the government and private health sector providers in sub-Saharan Africa (World Bank, 2011b). On the other hand, public action has been necessary to supplement private expenditure to attain desirable quantities of services in education and health in Armenia, Cambodia, Ethiopia and Mongolia (Khan, 2005).

There is also growing evidence that public-private partnerships can work effectively to unlock progress towards development objectives at the subnational level. For example, MAF action plans have led to an improvement in economic outcomes for women in Cambodia and for people with disabilities in Costa Rica, with the private sector acting as a crucial partner of the public sector in both countries (United Nations Development Programme, 2013).

### Partnerships for development cooperation

One of the legacies of the MDG agenda is the global partnership for development as defined in MDG 8 (see chap. I). At the same time, a number of different types of partnerships more closely associated with development cooperation also emerged or expanded in the last few decades and contributed to the achievement of human development, including the MDGs. Some of these partnerships involve multi-stakeholders, including Governments, multilateral and regional institutions, foundations, CSOs and for-profit enterprises.

The United Nations Secretary-General has undertaken a number of such initiatives in recent years to focus the attention of public policymakers and private actors around

**A number of multi-stakeholder partnerships geared towards specific MDG targets contributed to human development achievements...**

the world on mobilizing additional resources for action on some specific MDG targets. The initiatives include Every Woman Every Child, Sustainable Energy for All, the Global Education First Initiative, Zero Hunger Challenge, the Scaling Up Nutrition Movement, and the Call to Action on Sanitation. These initiatives are highly focused collections of voluntary partnerships serving to encourage multi-stakeholder collaboration on individual projects and programmes.

The Every Woman Every Child Initiative, launched during the United Nations MDG Summit in September 2010, is an unprecedented global movement involving more than 300 partners to mobilize international and national action by Governments, multilateral organizations, the private sector and civil society to address the major health challenges facing women and children around the world. The movement puts into action the Global Strategy for Women's and Children's Health, which presents a road map on how to enhance financing, strengthen policy and improve service on the ground for the most vulnerable women and children. More than \$40 billion was pledged at the 2010 launch, and numerous partners have made additional and critical financial, policy and service delivery commitments. A number of actions have been taken to support countries' implementation of their plans to improve women's and children's health.<sup>7</sup> This has led to considerable increases in some indicators, such as coverage of births by a skilled birth attendant, which increased by over 20 per cent between 2010 and 2015 in Bangladesh, Bolivia, the Lao People's Democratic Republic and Uganda, among others (Every Woman Every Child, 2015).

On a much smaller scale, Girl Up, launched by the United Nations Foundation in September 2010, has evolved into both an advocacy and a fundraising campaign. The Girl Up campaign has mobilized about \$2.7 million for adolescent girl empowerment programmes managed and implemented by United Nations agencies in Ethiopia, Guatemala, Liberia and Malawi. In addition to contributions from individuals, the Girl Up campaign has been supported by the Bill and Melinda Gates Foundation, Levi Strauss, Johnson & Johnson, American Express and Caterpillar Inc., among others (United Nations, General Assembly, 2014b). Efforts by this campaign have helped to pass a law in Malawi which raised the legal age of marriage from 15 to 18, and have provided educational materials in indigenous languages to girls in underserved regions in Guatemala.<sup>8</sup>

Innovative development financing (IDF) mechanisms have also emerged to complement insufficient traditional official development assistance (ODA). They have been successful in fulfilling their specific purposes, such as incentivizing the commercialization of new vaccines, but they have generated few new resources.<sup>9</sup> The most notable new sources of development finance are the Global Alliance for Vaccines and Immunization (GAVI)

<sup>7</sup> Some specific actions under this initiative include, for instance, the creation of a Commission on Information and Accountability for Women's and Children's Health, co-led by President Kikwete of the United Republic of Tanzania and Prime Minister Harper of Canada; the Commission on Life-saving Commodities for Women and Children, co-led by then President Jonathan of Nigeria and then Prime Minister Stoltenberg of Norway; the India Public-Private Partnership to End Child Diarrheal Deaths; strengthened coordination among UNICEF, UNFPA, WHO, the World Bank, UNAIDS, and UN Women (the H4+).

<sup>8</sup> For more details, see the Girl Up official website; most specifically, see <https://girlup.org/accomplishments-first-five-years/> and <https://girlup.org/impact/challenges-girls-face/education/>.

<sup>9</sup> United Nations (2012) takes an in-depth look at innovative sources of development financing.

and the Global Fund for AIDS, Tuberculosis and Malaria—to which brief reference was made in chapter IV. The latter has provided financial support in more than 140 countries and supports 7.3 million on antiretroviral therapy for AIDS (United Nations, 2012, p. 75; The Global Fund to Fight AIDS, Tuberculosis and Malaria, 2015). The GAVI initiative reported that its programme has been instrumental in the prevention of 6 million deaths since its launch in 2000 by supporting immunization against a number of deadly diseases (GAVI, 2015). It also reports over 440 million immunized with its support over the same period. Between 2011 and 2015, GAVI has received \$7.3 billion in donor support and has committed \$8.7 billion through 2017 in support of vaccination efforts in 73 of the poorest countries in the world. The impact of these efforts is significant, but the full long-term socioeconomic impact remains unknown as broad population-level effects are typically neglected in evaluations of vaccination.

In the area of education, the Global Partnership for Education (GPE) covers 59 developing countries, 28 of which are fragile or conflict-affected States. Nearly \$4 billion has been allocated for education programmes in these countries, and an additional \$28.5 billion has been pledged for education through 2018, mostly through pledges of increased education budgets in the developing countries themselves, but over \$2 billion of funds from donor countries have also been promised. On average, investment in education by GPE developing-country partners increased by 10 per cent after joining the partnership (Global Partnership for Education, 2014). As a result, the GPE has been instrumental in supporting the poorest countries to boost enrolment in primary school, reduce the number of out-of-school children, and increase the completion rate of primary school education. The GPE has also been successful in expanding access to pre-primary education and in making education more accessible to girls. It has helped to fund a variety of programmes, such as Cambodia's School Meals Program, which has increased enrolment and nutritional status, and mobile ger kindergartens in Mongolia, which have helped to increase preschool enrolment in rural areas.<sup>10</sup>

Despite their success, the fact that these initiatives have vertical funding structures based on specific diseases or interventions creates some unintended consequences, as noted in chapter IV in the context of health systems. Vertical funds do not address health and education financing gaps directly since they are not channelled to overall sectors. The funds may also have adverse impacts on national systems in recipient countries, and contribute to fragmenting the aid architecture by adding new players and mechanisms (United Nations, 2012, p. 115). As suggested in chapter IV, in the case of health, vertical interventions should continue to be harmonized with the horizontal system so that the former do not weaken the latter and instead strengthen it.

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

**...but in some cases resulted in unintended consequences owing to their vertical nature**

<sup>10</sup> For more details, see “Success Stories” of the Global Partnership for Education, available from <http://www.globalpartnership.org/success-stories>.

disbursed funds were directed to Africa. In terms of their purpose, two thirds of the total disbursed funds were extended for health purposes in grants, including reproductive health (Organization for Economic Cooperation and Development, 2013b and 2015).

As a result of the growing importance of South-South development partnerships, international organizations, including United Nations agencies, funds and programmes, have also been strengthening their support for them, and in many cases formed triangular development partnerships. For example, the Food and Agriculture Organization of the United Nations (FAO) has established a broad trust fund framework agreement with China and works with African partners to scale up the impact of South-South cooperation in different economic, social and environmental areas, some of which (e.g., food security and nutrition production, and production and use of renewable energy) have a direct association with making progress towards achievement of the MDGs. FAO has other trust fund agreements with Angola, Chad and Nigeria to provide financial resources to secure Brazilian, Vietnamese and Chinese expertise, respectively. The FAO trust fund agreement with Angola and the Brazilian Agricultural Research Corporation supports FAO services for agricultural research rehabilitation and development. Under a cooperation agreement with the Bolivarian Republic of Venezuela, FAO directs South-South cooperation in the fields of safety, nutrition and food sovereignty and poverty reduction in Latin American and Caribbean countries.

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

## Accountability, monitoring and evaluation

There is no good governance without accountability—that is, without the obligation on the part of public officials to report on the use of public resources and answerability for failing to meet stated performance objectives. There is no accountability without effective monitoring and evaluation either. Monitoring and evaluation can ensure the availability of information on interventions, resources utilized and outcomes. They can also facilitate efficient, effective and equitable usage of public resources; prevent waste, leakage and corruption; and hold political leadership and public servants accountable to the citizens that they are supposed to serve. Enhancing accountability in public service is often an incremental process. Specifically, accountability mechanisms and processes need to be strengthened in high risk areas prone to corruption such as public procurement, public works, concessions involving extractive industries, and privatizations, among others that involve large financial flows. Informal practices prone to corruption and the value system within a society are key areas to be analysed.

## Corruption as a failure of governance

### Corruption undermines development progress...

Corruption poses one of the most important governance challenges. Combating it has become an urgent priority as countries strive to mobilize more public and private resources and ensure

their equitable and efficient use in pursuing development goals. There is compelling evidence that corruption undermines development. It is also the case that underdevelopment breeds corruption. While increasing the cost of doing business, corruption discourages investment and reduces economic growth. It can also increase inequality and political instability. Corruption also distorts prices and reduces access to public services, including access to education and health care (Bardhan, 1997). It can also include shirking or absenteeism by public servants, who steal time from the Government rather than money, and provide poor or inadequate services.

Given that corruption is largely unobservable, there is no reliable estimate of the cost of corruption. Illicit financial flows, resulting from both corrupt practices and criminal activities, provide some estimates of corruption worldwide. Global Financial Integrity (2013), a non-profit research and advocacy group, estimates that proceeds of bribery and theft by government officials account for nearly 5 per cent of illicit flows globally; others have claimed that corruption proceeds account for a much larger share of illicit financial flows. The United Nations Office on Drugs and Crime (2014) estimates the illicit financial flows at 2-5 per cent of global, or between \$1.91 trillion and \$3.64 trillion in 2014. By this estimate, proceeds from bribery ranged between \$95.5 and \$182 billion, with at least half of these proceeds coming from developing countries. As such, developing countries lose between \$50 and \$100 billion a year in corruption—an amount as high as ODA flows, with a huge impact on (preventing) development. This, of course, excludes the corruption proceeds that stay in the country.

Transparency International—a global watchdog on corruption—presents analyses of the cost of corruption for social indicators that are also used to monitor MDG progress. A Transparency International study covering 50 developing countries finds a clear, positive correlation between increased corruption and the reduced quality and quantity of education. Additional research from 42 countries suggests that a lower literacy rate among 15- to 24-year-olds is associated with the increased practice of paying bribes. A seven-country Transparency International study in Africa shows that 44 per cent of parents surveyed paid illegal fees to send their children to school. It is also estimated that corruption raises the price of connecting a household to a water network by as much as 30 to 45 per cent.

Transparency International's Corruption Perceptions Index (CPI) provides a useful tool for examining possible associations between corruption and MDGs. This index ranks countries on a scale from 100 (very clean) to 0 (highly corrupt), and covers a number of different sectors that are pertinent to the MDGs—poverty and development, education, health, water and others. One should expect a positive correlation between CPI and MDG outcomes related to human development. It appears that the higher the CPI scores in countries (that is, the less the perception of corruption for the country), the more boys and girls complete primary education, fewer mothers die, and more people have access to improved drinking water sources (figures VI.2 to VI.4). The CPI is found to be more strongly correlated with the water sector indicator compared with education and water indicators, suggesting that corruption could spread more easily through the operations, projects and funding of the water sector, a hypothesis that is not evaluated in this *Survey*.

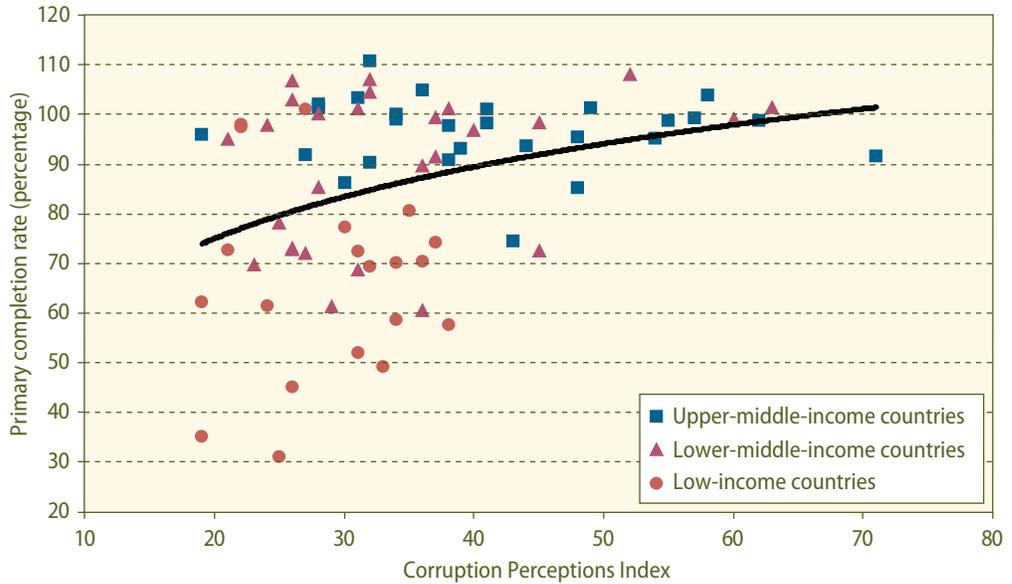
**...and lower corruption is associated with better MDG outcomes**

### Institutional arrangements and practices for accountability

Different institutional arrangements and practices, both formal and informal, exist to ensure accountability and transparency in governance. They include parliamentary oversight

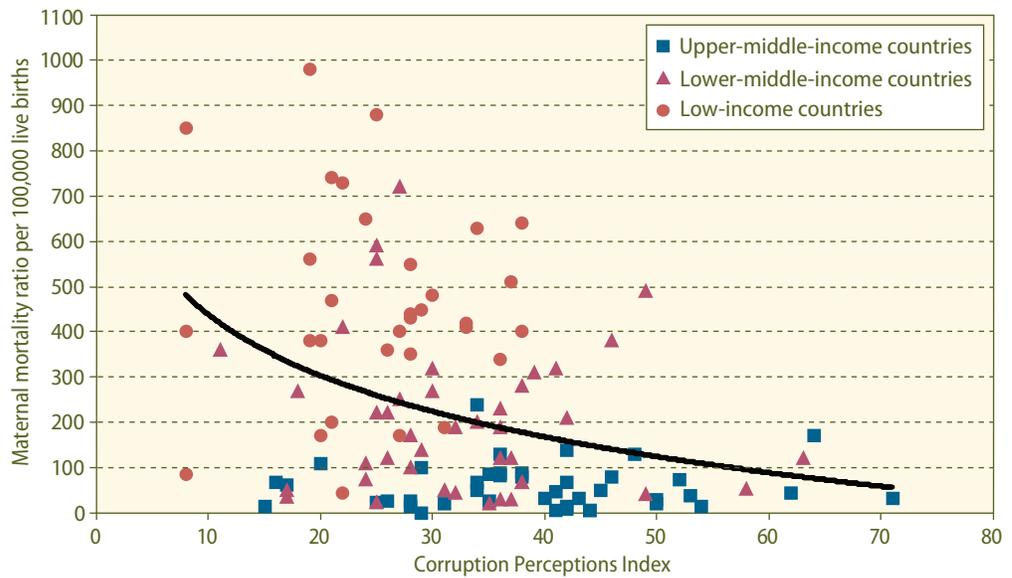
**A variety of different structures have been put in place to strengthen accountability...**

Figure VI.2  
Corruption and primary completion, 2012



Source: UN/DESA, based on Transparency International for the Corruption Perceptions Index and United Nations MDG Database for the primary completion rate.  
Note: The primary education completion rate is the total number of new entrants in the last grade of primary school, regardless of age, expressed as a percentage of the total population of the theoretical entrance age to the last grade of primary school.

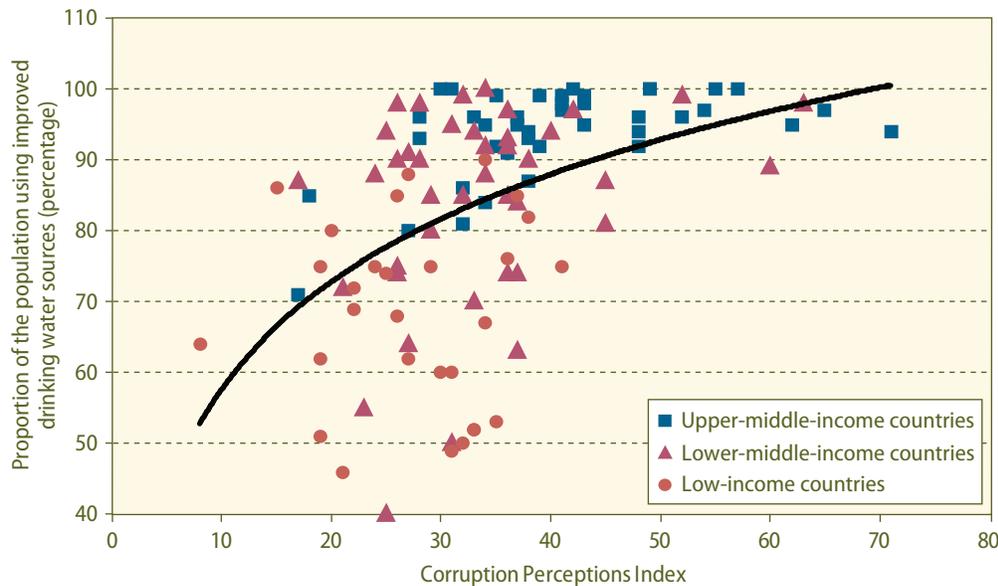
Figure VI.3  
Corruption and maternal mortality, 2013



Source: UN/DESA, based on Transparency International for the Corruption Perceptions Index and United Nations MDG Database for the maternal mortality ratio.

standing committees/ad hoc inquiries at the legislative level, statutory bodies such as supreme audit institutions (SAIs) that report directly to the parliament, internal and external audit requirements in individual government agencies, independent anti-corruption commissions, monitoring and evaluation frameworks at project and programme levels, citizens' forums and non-governmental watchdogs and independent media. Development cooperation and ODA commitments can also include accountability mechanisms, requiring Governments

Figure VI.4  
Corruption and access to drinking water, 2012



Source: Based on Transparency International for the Corruption Perceptions Index and United Nations MDG Database for the proportion of the population using improved drinking water sources.

to conduct periodic review, monitoring and evaluation and provide assessment on use and effectiveness of development assistance. Governments can also be held accountable to international treaties—such as the United Nations Convention Against Corruption—to promote good governance.

In view of the challenges corruption imposes on governance and development, countries have taken action to reduce it with different degrees of success. Georgia has taken a number of steps to combat corruption, including prosecuting high ranking officials, enacting anti-corruption legislation and implementing a complete overhaul of the police force following the Rose revolution in 2003 (Chêne, 2015). As a result of these and other steps, the country has moved from being perceived as one of the most corrupt countries in the Transparency International CPI, tied for 124th place (out of 133) in 2003 to 50th (out of 175) in 2014. Another example is Bangladesh, whose Government formed the Anti-Corruption Commission in 2004. In 2007, the Commission began an active partnership with Transparency International Bangladesh to jointly undertake various anticorruption programmes. Bangladesh also acceded to the United Nations Convention against Corruption in 2007. These initiatives have helped improve Bangladesh's relative rank in the CPI over the last few years and promoted good governance. Bangladesh has improved from 162nd (out of 179) on the CPI in 2007 to 145th (out of 174) in 2014. There have been important steps in passing relevant Acts, such as the Right to Information Act in 2009, the Civil Service Act in 2010 and the Whistle-blower Protection Act in 2011, although considerable efforts will still be necessary to improve enforcement of these and other Acts (Zaman, Das and Islam, 2011).

National parliaments can ensure accountability of the executive branch, directly through budgetary oversight and indirectly through establishing and empowering SAIs. Independent SAIs can promote efficient, accountable, effective and transparent public administration and governance to facilitate the realization of development goals. During

...including supreme audit institutions...

the period after the MDGs were adopted, SAIs strengthened and broadened citizen engagement in a number of countries to increase awareness and accountability. United Nations, Department of Economic and Social Affairs (2013) identifies three good examples of SAIs in Mexico, Indonesia and China. Mexico has established hotlines to collect anonymous information from the public regarding alleged irregularities in order to take these inputs into account in their annual audit planning programmes. With a view to rebuilding and maintaining public trust, the SAI in Indonesia devised and implemented public relations and communication strategies in the early 2000s and began campaigns to increase public awareness about its reports and issues in accountability. SAI China conducts the Leaders' Accountability Audit, a special audit that assesses leaders' performance and ensures citizen participation in the planning, execution and reporting stages of audit work. The efficacy of an audit is often undermined by capacity constraints in both SAIs and parliamentary committees that oversee public expenditures. Absence of the rule of law, political interference and circumscribed autonomy of SAIs also impede the effectiveness of audit and accountability mechanism.

Complementing parliamentary oversights and audits and effective monitoring and evaluation systems can enhance accountability, good governance and development effectiveness. Many developing-country Governments strengthened their monitoring and evaluation systems during the MDG implementation phase. A majority of countries showed improvement in their overall statistical capacity between 2005 and 2014 (84 out of 148 for which data were available at the World Bank's Statistical Capacity Indicators Database). MDG monitoring, in particular, has contributed to improving statistical capacity and data availability, laying out the foundations of a comprehensive statistical architecture to facilitate not only MDG achievements, but also to achieve SDGs and implement the 2030 Agenda for Sustainable Development, as noted in chapter I.

**...and strong monitoring  
and evaluation systems**

Lopez-Acevedo, Krause and Mackay, eds. (2012) present examples of countries where strengthened monitoring and evaluation systems produced encouraging results. These systems are typically implemented by different agents (i.e., individual agencies, entire sectors, or the Government as a whole) and provide information about the performance of government policies, programmes, and projects at the national, sector, and subnational levels. Mexico's system, known as Sistema de Evaluación del Desempeño, starting in 2000, required all line ministries, planning and evaluation units, budget offices, public administrators, and the legislative branch of Government to participate in the evaluation process. The necessary push towards systematic evaluation was provided by a budget law that required federal programmes involving subsidies, cash or in-kind transfers, and some infrastructure, health, and education services to carry out annual external evaluations. The system possesses three key components: performance indicator monitoring, evaluation and feedback mechanisms.

Chile's Management Control and Evaluation System (Sistema de Evaluación y Control de Gestión) is internationally regarded as an example of how monitoring and evaluation can be successfully put into practice. This system originated in a series of reform efforts initiated in the 1990s, where the "first generation" tools were developed and put in place in 2000-2010. The range of monitoring and evaluation tools is as large and as comprehensive as Mexico's, although the Chilean system aims at reaching out to citizens more comprehensively through management reports. Good results of the systems in both countries include, inter alia, a "measurement-oriented culture" across central Government,

ministries and agencies, and the use of data produced by the various tools to inform budgetary and other policy and management decisions.

Another example is Indonesia's Minimum Service Standards (MSS), a measurement for evaluation of the local government performance in the implementation of obligatory functions related to basic services. The combination of obligatory functions and the development of government capacity to cost and implement MSS in regions, aims to provide access for citizens at the minimum level of quality at a given time. This initiative of the Government of Indonesia, implemented by the Directorate General of Regional Development of the Ministry of Home Affairs, has been in effect since 2000, in cooperation with the Decentralization Support Facility administered by the World Bank (World Bank, 2011c). The analysis of factors underlying the successful implementation of MSS and possible relationships with the achievement of MDGs is among the objectives of this programme.

A strong focus on capacity development is a necessary precondition for successful implementation of monitoring and evaluation systems. The institutional capacity-building required to implement these systems and improve service delivery often relies on capacity assessments, which have frequently been undertaken through collaboration between the United Nations Development Programme and country ministries. These assessments were important for the implementation of all MDG-related programmes, including monitoring and evaluation measures (United Nations Development Programme, 2008). They have also been instrumental in strengthening developing countries' ability to assess data capacity and improve it for monitoring purposes. The nature of these assessments has necessitated broader participation of national constituents as well as addressing accountability issues within democratic practice. There are also other multilateral initiatives such as the African Peer Review Mechanism that promote multi-stakeholder dialogue and mutual adherence as part of the monitoring and reporting on the MDGs in Africa (Sanga, 2011). At the same time, capacity development efforts for improving monitoring and evaluation should aim at enhancing transparency and effectiveness in service delivery. It will be critical for most developing countries to foster a constructive engagement between end users and the providers (and financing organizations). This has been found to be a key component in models of scaling up key public services for MDG implementation, especially in health (Subramanian and others, 2011).

Poor incentives, compensation and benefits, both cash and non-cash, for civil servants often serve as a binding constraint to curbing corruption and to achieving development results. A multi-country study shows that "pay flexibility" improves public sector performance and changes managerial behaviour strikingly (World Bank, 2014c). Pay flexibility ensures performance-related pay (PRP), which allows pay to differ for apparently similar workers doing the same job across agencies, career groups and geographical locations by linking a portion of pay to the achievement of performance targets. It can work with, rather than instead of, long-term career incentives. The same study points to a large and growing empirical literature on PRP in education that finds positive results in developing countries. As noted in chapter IV, there is evidence that paying providers based on their performance helps to improve health outcomes at a relatively minimal cost per patient. While the arguments for pay flexibility and incentive wages are clear, the relationship between public compensation policy and corruption can be quite complex and non-linear.

## Lessons and implications for the upcoming agenda

Lessons about the role of governance and institutions during the period in which the MDGs were pursued have emerged from the review of this chapter and, in various ways, they corroborate findings of previous chapters. These lessons have implications for the 2030 Agenda for Sustainable Development. In fact, the proposed SDGs seek to build effective, accountable and inclusive institutions at all levels as part of the means to pursue sustainable development. Six lessons learned are as follows.

*First*, the role of good governance and effective institutions was pivotal for ensuring a more adequate delivery of basic public services critical for making progress towards achievement of the MDGs. Nonetheless, going forward it will be important to keep in mind that specific forms of governance practice have varied widely across countries and are determined by the political, social, and economic contexts of individual countries.

*Second*, effective, responsive and responsible political leadership, with long-term strategic vision for development, will be of paramount importance in achieving sustainable development goals. Examples from Brazil, China and Rwanda show that political commitment and leadership is needed for galvanizing political will, transforming vision into national strategies, mobilizing scarce resources, coalescing broad partnerships, coordinating actions, and motivating and ensuring accountability for the results.

*Third*, effective coordination of policies and strategies at the national level and their coherent implementation at national, subnational and local levels will be crucial for the integration of economic, social and environmental policies as countries pursue sustainable development goals. The experiences of Bangladesh, Brazil and the United Republic of Tanzania show that effective coordination of policies and processes can deliver concrete development outcomes that, in the case of these countries, led to MDG progress. More extensive development and use of e-government platforms will strengthen policy coordination and improve service delivery going forward.

*Fourth*, there is strong evidence that absence of technical capacities at national and subnational levels—both for public financial management and the delivery of basic public services—impeded the realization of MDGs in many developing countries, particularly in sub-Saharan Africa. Looking forward, more efforts will be needed to decentralize the delivery of public services through effective administrative and fiscal decentralization and develop capacities of local governments, particularly for resource mobilization and public financial management.

*Fifth*, broad and multi-stakeholder partnerships at the global, national and local levels can play important roles for the achievement of development goals. Good governance requires robust engagement of NGOs, CSOs, the private sector, and regional and international organizations. Examples from Bhutan, Cambodia, Costa Rica, Egypt and Zambia show that partnerships at the national and local levels not only enhance the voice and participation of citizens, but also augment service delivery, enhance coordination and improve development outcomes. A number of global partnerships for development cooperation engaging a variety of stakeholders have supported the implementation of programmes in areas covered by the MDGs in Ethiopia, Guatemala, Liberia, Malawi and Senegal. The proliferation of new partnerships and stakeholders observed since the MDGs were adopted is expected to continue, with even greater participation from emerging economies, the private sector and non-profit organizations. Achieving adequate coordination between all stakeholders at the national and local level will be critical. At the same time, an important role for the global

community will be to continue to develop a global coordination mechanism that is flexible to sustainable development needs and to the changing landscape of global partnerships.

*Sixth*, strong monitoring and evaluation systems have proven critical for enhancing access to information on the performance of various development actors and measuring development outcomes. Performance-related pay is more feasible if there is good measuring of outcomes. Monitoring and evaluation systems can also be useful to enhancing budgetary and other policy and management decisions, as evident from the experiences of China, Chile, Indonesia and Mexico. The ongoing ICT and data revolution and open government data will strengthen monitoring and evaluation. Nonetheless, further efforts will also be needed to strengthen the authority and capacity of independent oversight institutions, such as supreme audit institutions (SAIs), to enhance accountability and transparency in governance, improve development outcomes and reduce corruption. SAIs can benefit from expanding citizen engagement, to the extent their mandates allow, and contribute towards greater public and social accountability at all levels in implementing the sustainable development agenda.



## Annex

Official list of MDGs (as of 15 January 2008)<sup>a</sup>

## Millennium Development Goals (MDGs)

Goals and targets (derived from the United Nations Millennium Declaration)	Indicators for monitoring progress
<b>Goal 1: Eradicate extreme poverty and hunger</b>	
<b>Target 1.A</b> Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day	1.1 Proportion of population below \$1.25 (PPP) per day <sup>1</sup> 1.2 Poverty gap ratio 1.3 Share of poorest quintile in national consumption
<b>Target 1.B</b> Achieve full and productive employment and decent work for all, including women and young people	1.4 Growth rate of GDP per person employed 1.5 Employment-to-population ratio 1.6 Proportion of employed people living below \$1.25 (PPP) per day 1.7 Proportion of own-account and contributing family workers in total employment
<b>Target 1.C</b> Halve, between 1990 and 2015, the proportion of people who suffer from hunger	1.8 Prevalence of underweight children under five years of age 1.9 Proportion of population below minimum level of dietary energy consumption
<b>Goal 2: Achieve universal primary education</b>	
<b>Target 2.A</b> Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling	2.1 Net enrolment ratio in primary education 2.2 Proportion of pupils starting grade 1 who reach last grade of primary school 2.3 Literacy rate of 15- to 24-year-olds, women and men
<b>Goal 3: Promote gender equality and empower women</b>	
<b>Target 3.A</b> Eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015	3.1 Ratios of girls to boys in primary, secondary and tertiary education 3.2 Share of women in wage employment in the non-agricultural sector 3.3 Proportion of seats held by women in national parliament
<b>Goal 4: Reduce child mortality</b>	
<b>Target 4.A</b> Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate	4.1 Under-five mortality rate 4.2 Infant mortality rate 4.3 Proportion of 1-year-old children immunized against measles
<b>Goal 5: Improve maternal health</b>	
<b>Target 5.A</b> Reduce by three quarters, between 1990 and 2015, the maternal mortality ratio	5.1 Maternal mortality ratio 5.2 Proportion of births attended by skilled health personnel
<b>Target 5.B</b> Achieve, by 2015, universal access to reproductive health	5.3 Contraceptive prevalence rate 5.4 Adolescent birth rate 5.5 Antenatal care coverage (at least one visit and at least four visits) 5.6 Unmet need for family planning
<b>Goal 6: Combat HIV/AIDS, malaria and other diseases</b>	
<b>Target 6.A</b> Have halted by 2015 and begun to reverse the spread of HIV/AIDS	6.1 HIV prevalence among population aged 15-24 years 6.2 Condom use at last high-risk sex 6.3 Proportion of population aged 15-24 years with comprehensive correct knowledge of HIV/AIDS 6.4 Ratio of school attendance of orphans to school attendance of non-orphans aged 10-14 years

(continued)

Goals and targets (derived from the United Nations Millennium Declaration)	Indicators for monitoring progress
<b>Goal 6: Combat HIV/AIDS, malaria and other diseases (continued)</b>	
<b>Target 6.B</b> Achieve, by 2010, universal access to treatment for HIV/AIDS for all those who need it	6.5 Proportion of population with advanced HIV infection with access to antiretroviral drugs
<b>Target 6.C</b> Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases	6.6 Incidence and death rates associated with malaria 6.7 Proportion of children under 5 sleeping under insecticide-treated bed nets 6.8 Proportion of children under 5 with fever who are treated with appropriate anti-malarial drugs 6.9 Incidence, prevalence and death rates associated with tuberculosis 6.10 Proportion of tuberculosis cases detected and cured under directly observed treatment, short-course
<b>Goal 7: Ensure environmental sustainability</b>	
<b>Target 7.A</b> Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources  <b>Target 7.B</b> Reduce biodiversity loss, achieving, by 2010, a significant reduction in the rate of loss	7.1 Proportion of land area covered by forest 7.2 CO <sub>2</sub> emissions, total, per capita and per \$1 GDP (PPP) 7.3 Consumption of ozone-depleting substances 7.4 Consumption of fish stocks within safe biological limits 7.5 Proportion of total water resources used 7.6 Proportion of terrestrial and marine areas protected 7.7 Proportion of species threatened with extinction
<b>Target 7.C</b> Halve, by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation	7.8 Proportion of population using an improved drinking-water source 7.9 Proportion of population using an improved sanitation facility
<b>Target 7.D</b> By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers	7.10 Proportion of urban population living in slums <sup>2</sup>
<b>Goal 8: Develop a global partnership for development</b>	
<b>Target 8.A</b> Develop further an open, rule-based, predictable, non-discriminatory trading and financial system Includes a commitment to good governance, development and poverty reduction – both nationally and internationally  <b>Target 8.B</b> Address the special needs of the least developed countries Includes: tariff- and quota-free access for the least developed countries' exports; enhanced programme of debt relief for heavily indebted poor countries (HIPC) and cancellation of official bilateral debt; and more generous ODA for countries committed to poverty reduction  <b>Target 8.C</b> Address the special needs of landlocked developing countries and small island developing States (through the Programme of Action for the Sustainable Development of Small Island Developing States and the outcome of the twenty-second special session of the General Assembly)	<i>Some of the indicators listed below are monitored separately for the least developed countries, Africa, landlocked developing countries and small island developing States</i>  <b>Official development assistance (ODA)</b> 8.1 Net ODA, total and to the least developed countries, as percentage of OECD/DAC donors' gross national income 8.2 Proportion of total bilateral, sector-allocable ODA of OECD/DAC donors to basic social services (basic education, primary health care, nutrition, safe water and sanitation) 8.3 Proportion of bilateral ODA of OECD/DAC donors that is untied 8.4 ODA received in landlocked developing countries as a proportion of their gross national incomes 8.5 ODA received in small island developing States as a proportion of their gross national incomes  <b>Market access</b> 8.6 Proportion of total developed-country imports (by value and excluding arms) from developing countries and least developed countries, admitted free of duty 8.7 Average tariffs imposed by developed countries on agricultural products and textiles and clothing from developing countries 8.8 Agricultural support estimate for OECD countries as a percentage of their gross domestic product 8.9 Proportion of ODA provided to help build trade capacity

(continued)

Goals and targets (derived from the United Nations Millennium Declaration)	Indicators for monitoring progress
<b>Goal 8: Develop a global partnership for development (continued)</b>	
<b>Target 8.D</b> Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term	<b>Debt sustainability</b> 8.10 Total number of countries that have reached their HIPC decision points and number that have reached their HIPC completion points (cumulative) 8.11 Debt relief committed under the HIPC and Multilateral Debt Relief Initiatives 8.12 Debt service as a percentage of exports of goods and services
<b>Target 8.E</b> In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries	8.13 Proportion of population with access to affordable essential drugs on a sustainable basis
<b>Target 8.F</b> In cooperation with the private sector, make available the benefits of new technologies, especially information and communications	8.14 Fixed-telephone subscriptions per 100 inhabitants 8.15 Mobile-cellular subscriptions per 100 inhabitants 8.16 Internet users per 100 inhabitants

Source: UN/DESA.

- a Available from <http://mdgs.un.org/unsd/mdg/Resources/Attach/Indicators/OfficialList2008.pdf>.
- 1 For monitoring country poverty trends, indicators based on national poverty lines should be used, where available.
- 2 The actual proportion of people living in slums is measured by a proxy, represented by the urban population living in households with at least one of the four characteristics: (a) lack of access to improved water supply; (b) lack of access to improved sanitation; (c) overcrowding (3 or more persons per room); and (d) dwellings made of non-durable material.



# Bibliography

- Abramsky, Tanya, and others (2014). Findings from the SASA! Study: a cluster randomized controlled trial to assess the impact of a community mobilization intervention to prevent violence against women and reduce HIV risk in Kampala, Uganda. *BMC Medicine*, vol. 12 (31 July), p. 122.
- Adesina, Jimi O. (2010). Rethinking the social protection paradigm: social policy in Africa's development. Paper prepared for the Conference "Promoting Resilience through Social Protection in Sub-Saharan Africa", organized by the European Report of Development in Dakar, Senegal, 28–30 June 2010.
- Agarwal, Bina (2007). Gender inequality, cooperation, and environmental sustainability. In *Inequality, Cooperation, and Environmental Sustainability*, Jean-Marie Baland, Pranab Bardhan and Samuel Bowles, eds. Oxford: Oxford University Press. Pp. 274–313.
- Alam, Andaleeb, Javier E. Baez and Ximena V. Del Carpio (2011). Does cash for school influence young women's behavior in the longer term? evidence from Pakistan. World Bank Policy Research Working Paper, No. 5669. Washington, D.C.: World Bank.
- Alarcón, Diana (2003). The MDGs in national policy frameworks. *Development Policy Journal*, vol. 2 (2003). New York: United Nations Development Programme.
- Ameh, Charles, and others (2012). Status of emergency obstetric care in xix developing countries five years before the MDG targets for maternal and newborn health. *PLoS ONE*, vol. 7, No. 12.
- Andemichael, Ghirmay, and others (2009). Maternity waiting homes: a panacea for maternal/neonatal conundrums in Eritrea. *Journal of the Eritrean Medical Association*, vol. 4, No. 1, pp. 18–21.
- Awases, M., and others (2004). Migration of health professionals in six countries: a synthesis report. World Health Organization, Regional Office for Africa.
- Bagnall, A. E., and E. M. Truman (2013). Progress on sovereign wealth fund transparency and accountability: an updated SWF scoreboard. Policy Brief 13-19, Washington, D.C.: Peterson Institute for International Economics.
- Baird, Sarah, and others (2009). The short-term impacts of a schooling conditional cash transfer program on the sexual behavior of young women. Washington, D.C.: World Bank.
- Baird, Sarah, and others (2013). Relative effectiveness of conditional and unconditional cash transfers for schooling outcomes in developing countries: a systematic review. *Campbell Systematic Reviews*, vol. 9, No.8.
- Baland, Jean-Marie, Pranab Bardhan and Samuel Bowles, eds. (2007). *Inequality, Cooperation, and Environmental Sustainability*. Oxford: Oxford University Press.
- Baldacci, Emanuele, and others (2008). Social spending, human capital, and growth in developing countries. *World Development*, vol. 36, Issue 8, pp. 1317–1341.
- Ballington, Julie (2008). Equality in politics: a survey of women and men in Parliaments. Inter-Parliamentary Union Reports and Documents No. 54. Geneva: Inter-Parliamentary Union.

- Bangladesh, Government of the People's Republic of Bangladesh (2009). The Millennium Development Goals Bangladesh Progress Report 2009.
- Bardhan, Pranab (1997). Corruption and development: a review of issues. *Journal of Economic Literature*, vol. 35, No. 3 (September), pp. 1320–1346.
- Barrera-Osorio, Felipe, and others (2009). *Decentralized Decision-Making in Schools: The Theory and Evidence on School-Based Management*. Washington, D.C.: World Bank.
- Barrientos, Armando (2010). Social protection and poverty. Poverty Reduction and Policy Regimes Thematic Paper. *UNRISD Social Policy and Development Paper*, No. 42. Geneva: United Nations Research Institute for Social Development. January.
- Begun T., and others (2012). Conservation and protection of the Black Sea biodiversity. Review of the existing and planned protected areas in the Black Sea (Bulgaria, Romania, Turkey) with a special focus on possible deficiencies regarding law enforcement and implementation of management plans. European Commission Directorate-General for Environment. MISIS Project Deliverables.
- Bergman, U. Michael, and Michael Hutchison (2015). Economic stabilization in the post-crisis world: are fiscal rules the answer? *Journal of International Money and Finance*, vol. 52, Issue C, pp. 82–101.
- Bhalotra, Sonia, Kenneth Harttgen and Stephan Klasen (2014). The impact of school fees on educational attainment and the intergenerational transmission of education. Background paper prepared for the Education for All Global Monitoring Report 2013/14. Paris: United Nations Educational, Scientific and Cultural Organization.
- Bharadwaj, Prashant (2015). Impact of changes in marriage law: implications for fertility and school enrolment. *Journal of Human Resources*. Forthcoming.
- Bhutan (Royal Government of), Planning Commission (2007). Bhutan Millennium Development Goals Needs Assessment and Costing Report (2006-2015). November. Available from <http://www.undp.org/content/dam/undp/library/MDG/english/MDG%20Country%20Reports/Bhutan/MDGNAandCostingReportFinalNov2007.pdf>.
- Blaxall, John (2004). India's Self-Employed Women's Association (SEWA): empowerment through mobilization of poor women on a large scale. Washington, D.C.: World Bank.
- Boko, Sylvain H., and Mina Bali moune-Lutz (2009). Fiscal decentralization, donor funding and poverty reduction in Africa: a case study of Uganda. Paper presented at the Conference on the Role of the Sub-national Jurisdictions in Efforts to Achieve the MDGs, Abuja, 7–9 May 2009, organized by the Economic Commission for Africa in collaboration with World Bank.
- Bos, Robert (2006). Health impact assessment and health promotion. *Bulletin of the World Health Organization*, vol. 84, No. 11 (November).
- Bova, E., N. Carcenac and M. Guerguil (2014). Fiscal rules and the procyclicality of fiscal policy in the developing world. IMF Working Paper, No. 14/122. Washington, D.C.: International Monetary Fund.

- Brockerhoff, E.G., and others (2008). Plantation forests and biodiversity: oxymoron or opportunity? *Biodiversity and Conservation*, vol. 17, No. 5, pp. 925–951.
- Burde, Dana, and Leigh L. Linden (2012). The effect of village-based schools: evidence from a randomized controlled trial in Afghanistan. IZA Discussion Paper, No. 6531. Bonn: Institute for the Study of Labour. April.
- Camargo, Camila Fracaro, and others (2013). El perfil socioeconómico de los beneficiarios del Programa Bolsa Familia: ¿qué revela el Registro Único? *CIP-CI One Pager*, No. 240. Brasilia: International Policy Centre for Inclusive Growth. December.
- Cambodia (Royal Government of), Ministry of Planning (2013). Annual Progress Report: Achieving the Millennium Development Goals Report prepared on the status in 2013. Phnom Penh: United Nations Development Programme.
- Cecchini, Simone, and Rodrigo Martinez (2012). *Inclusive Social Protection in Latin America: A Comprehensive, Rights-based Approach*. Santiago: Economic Commission for Latin America and the Caribbean.
- Charmarbagwala, Rubiana, and others (2004). The determinants of child health and nutrition: a meta-analysis. Working Paper No. 82087. Washington, D.C.: World Bank.
- Chattopadhyay, Raghavendra, and Esther Duflo (2004). Women as policy makers: evidence from a randomized policy experiment in India. *Econometrica*, vol. 72, No. 5 (September), pp. 1409–1443.
- Chen, Shuang, and others (2013). Towards a post-2015 framework that counts: developing national statistical capacity. PARIS21.
- Chêne, Marie (2015). Anti-corruption helpdesk: successful anti-corruption reforms. Berlin: Transparency International.
- Christiaensen, Luc, and Jonathan Kaminski (2014). Structural change, economic growth and poverty reduction: micro evidence from Uganda. Washington, D.C.: World Bank. Unpublished.
- Christiaensen, Luc, Punam Chuhan-Pole and Aly Sanoh (2013). Africa's growth, poverty and inequality nexus—fostering shared prosperity. Mimeo. Washington, D.C.: World Bank.
- Cohen, Barney (2006). Urbanization in developing countries: current trends, future projection, and key challenges for sustainability. *Technology in Society*, vol. 26, No. 1-2, pp. 63–80.
- Cole, Matthew A. (2003). Development, trade, and the environment: how robust is the environmental Kuznets curve? *Environment and Development Economics*, vol. 8, No. 04, pp. 557–580.
- Cole, Matthew A. (2004). Trade, the pollution haven hypothesis and the environmental Kuznets curve: examining the linkages. *Ecological Economics*, vol. 48, No. 1, pp. 71–81.
- Cole, Matthew A. (2006). Does trade liberalization increase national energy use? *Economics Letters*, vol. 92, No. 1, pp. 108–112.
- Commission on Growth and Development (2008). *The Growth Report: Strategies for Sustained Growth and Inclusive Development*. Available from <https://openknowledge.worldbank.org/bitstream/handle/10986/6507/449860PUB0Box3101OFFICIAL0USE0ONLY1.pdf?sequence=1>.

- Cornia, Andrea Giovanni, Richard Jolly, and Frances Stewart (1987). *Adjustment with a Human Face vol. 1: Protecting the Vulnerable and Promoting Growth*. New York: Oxford University Press.
- Creighton, Mathew, and Hyunjoon Park (2010). Closing the gender gap: six decades of reform in Mexican education. *Comparative Education Review*, vol. 54, No. 4 (November).
- da Conceição, Hugo Rosa (2014). Conditional cash transfer in the context of social welfare and environmental incentive based public policies. Nota Técnica 14 1. Proyecto CBC - Conservación de Bosques Comunitarios.
- Davis, Benjamin, and others (2012). Evaluating the impact of cash transfer programmes in sub-Saharan Africa: an introduction to the special issue. *Journal of Development Effectiveness*, vol. 4, No. 1, pp. 1–8.
- Debusscher, Petra, and An Ansoms (2013). Gender equality policies in Rwanda: public relations or real transformations? *Development and Change*, vol. 44, No. 5 (September), pp. 1111–1134.
- Demombynes, Gabriel, and Sofia Karina Trommerlova (2012). What has driven the decline in infant mortality in Kenya. World Bank Policy Research Working Paper, No. 6057. Washington, D.C.: World Bank.
- Department for International Development (DFID) (2011). Cash transfers. Policy Division evidence paper. London, United Kingdom.
- Deshmukh, P.R., B.S. Garg and M.S. Bharambe (2008). Effectiveness of weekly supplementation of iron to control Anaemia among adolescent girls of Nashik, Maharashtra, India. *Journal of Health Population and Nutrition*, vol. 26, No. 1, pp. 74–78.
- De Soto, Hernando (1989). *The Other Path: The Invisible Revolution in the Third World*. New York: Basic Books.
- De Soto, Hernando, and Francis Cheneval (2006). *Realizing Property Rights. Swiss Human Rights Book*, vol. 1. Bern: Rüffer and Rub.
- DeStefano, Joseph, and others (2007). Reaching the underserved: complementary models of effective schooling. Washington, D.C.: United States Agency for International Development (USAID).
- Devereaux, Stephen, and Colette Solomon (2006). *Employment Creation Programmes: The International Experience*. ILO Issues in Employment and Poverty Discussion Paper, No. 24. Geneva: International Labour Office.
- de Walque, Damien, and others (2013). Using provider performance incentives to increase HIV testing and counseling services in Rwanda. World Bank Policy Research Working Paper, No. 6364. Washington, D.C.: World Bank.
- Diao, Xinshen, and others, eds. (2012). *Strategies and Priorities for African Agriculture: Economywide Perspectives from Country Studies*. Washington, D.C.: International Food Policy Research Institute.
- Dinh, H. T., and others (2012). *Light Manufacturing in Africa: Targeted Policies to Enhance Private Investment and Create Jobs*. Washington, D.C.: World Bank.
- Du, Runsheng (2006). The course of China's rural reform. Washington, D.C.: International Food Policy Research Institute.

- Duflo, Esther (2012). Women empowerment and economic development. *Journal of Economic Literature*, vol. 50, No. 4, pp. 1051–1079.
- Dulvey, N.K., and others (2008). Climate change and deepening of the North Sea fish assemblage: a biotic indicator of regional warming. *Journal of Applied Ecology*, vol. 45, No. 4, pp. 1029–1039.
- Dundar, Halil, and others (2014). *Student Learning in South Asia: Challenges, Opportunities, and Policy Priorities*. Directions in Development. Washington, D.C.: World Bank.
- Earth Policy Institute (2012). Eco-economy indicators: forest cover. Available from [http://www.earth-policy.org/indicators/C56/forests\\_2012](http://www.earth-policy.org/indicators/C56/forests_2012).
- The Economist* (2014a). Commodity dependency statistics. 8 December update. Available from <http://www.economist.com/blogs/graphicdetail/2014/12/commodity-dependency>.
- The Economist* (2014b). Behavioural economist meets development policy. 6 December.
- The Economist* (2015a). Casting a wide net: targeting social spending. 10 January.
- The Economist* (2015b). The poverty alert: Latin America's social progress has stopped: what is to be done? 21 February.
- Enarson, Donald A., and Nils E. Billo (2007). Critical evaluation of the Global DOTS Expansion Plan. *Bulletin of the World Health Organization*, vol. 85, No. 5, pp. 395–403. Available from <http://www.who.int/bulletin/volumes/85/5/06-0362.10.pdf>.
- Environmental Performance Index (2014). 2014 Environmental Performance Index. Available from <http://epi.yale.edu/epi/data-explorer>.
- Ethiopia, Ministry of Finance and Economic Development (2005). Ethiopia: The Millennium Development Goals (MDGs) Needs Assessment Synthesis Report. Development Planning and Research Department.
- Ethiopia, Ministry of Finance and Economic Development (2010). Ethiopia: 2010 MDGs Report: Trends and Prospects for Meeting MDGs by 2015. Addis Ababa: United Nations Development Programme.
- Ethiopia, Ministry of Water and Energy (2010). 2010 Ethiopian Water Resources Management Policy. Addis Ababa.
- Evans, David K., and Arkadipta Ghosh (2008). Prioritizing educational investments in children in the developing world. RAND Labor and Population Working Paper, No. 587. Santa Monica, California: RAND Corporation.
- Evers, Mariele (2015). Lessons from implementation of water related issues of MDG 7A, 7B and 7C. Background paper prepared for *World Economic and Social Survey 2014/2015*.
- Every Woman Every Child (2015). Saving Lives Protecting Futures: Progress Report on the Global Strategy for Women's and Children's Health 2010–2015. New York: United Nations.
- Fan, Victoria, and Amanda Glassman (2014). Going local. *Finance and Development*, vol. 51, No. 4, pp. 12–15.
- Ferreira, Francisco H.G., and David Robalino (2010). Social protection in Latin America: achievements and limitations. World Bank Policy Research Working Paper, No. 5305. Washington, D.C.: World Bank.

- Food and Agriculture Organization of the United Nations (2007). *State of the World's Forests 2007*. Rome.
- Food and Agriculture Organization of the United Nations (2010). *Global Forest Resources Assessment 2010: country reports*. Rome.
- Food and Agriculture Organization of the United Nations (2012). *State of Forestry in the Latin American and Caribbean Region: Period 2010–2011: Secretariat Note*. Asuncion, Paraguay.
- Food and Agriculture Organization of the United Nations (2014). *FAO supports Zimbabwe National Forest Policy Formulation Process*. Available from <http://www.fao.org/africa/news/detail-news/en/c/269781/>.
- Fosu, Augustin Kwasi (2009). *Inequality and the impact of growth on poverty: comparative evidence for sub-Saharan Africa*. Brooks World Poverty Institute Working Paper, No. 98. Manchester, United Kingdom: Manchester University. [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=1432006](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1432006)
- Frankel, Jeffrey (2011). Are remittances countercyclical? *Open Economies Review*, vol. 22, No. 1, pp. 1–16.
- Frankel, Jeffrey, Carlos A. Végh and Guillermo Vuletin (2011). Fiscal policy in developing countries: escape from procyclicality. *Vox: CEPR Policy Portal*. 23 June. Available from <http://www.voxeu.org/article/how-developing-nations-escaped-procyclical-fiscal-policy>.
- Frankel, Jeffrey, Carlos A. Végh and Guillermo Vuletin (2013). On graduation from fiscal procyclicality. *Journal of Development Economics*, vol. 100, No. 1, pp. 32–47.
- Freedman, Lynn P., and Margaret E. Kruk (2014). Disrespect and abuse of women in childbirth: challenging the global quality and accountability agendas. *Lancet*, vol. 384, No. 9948, pp. e42–e44.
- Fukuda-Parr, Sakiko (2008). Are the MDGs priority in development strategies and aid programmes? Only few are! *International Poverty Centre Working Paper*, No.48. Brasilia, Brazil: International Poverty Centre, United Nations Development Programme.
- Fukuda-Parr, Sakiko (2010). Reducing inequality: the missing MDG—a content review of poverty reduction strategy papers and bilateral donor policy statements. *IDS Bulletin*, vol. 41, No. 1 (January), pp. 26–35.
- GAVI (2015). *GAVI Facts and figures*. Available from <http://www.gavi.org/about/mission/facts-and-figures/> (accessed 19 January 2015).
- Gelli, Aulo, Ute Meir and Francisco Espejo (2007). Does provision of food in school increase girls' enrollment? evidence from schools in sub-Saharan Africa. *Food Nutrition Bulletin*, vol. 28, No. 2, pp. 147–155.
- Ghana, Government of Ghana, National Development Planning Commission and United Nations Development Programme (2010). *2008 Ghana Millennium Development Goals Report*. Accra.
- Ghaus-Pasha, Aisha (2004). *Role of civil society organizations in governance*. Paper prepared for the Sixth Global Forum on Reinventing Government towards Participatory and Transparent Governance, Seoul, 24–27 May 2005. December.

- Ghosh, Atish R., Jonathan D. Ostry and Charalambos G. Tsangarides (2012). Shifting motives: explaining the build-up in official reserves in emerging markets since the 1980s. IMF Working Paper, No. WP/12/34. Washington, D.C.
- Gill, I. S., and others (2014). *Diversified Development: Making the Most of Natural Resources in Eurasia*. Washington, D.C.: World Bank.
- Global Financial Integrity (2013). Illicit financial flows from developing countries: 2002–2011. Washington, D.C. December.
- The Global Fund to Fight AIDS, Tuberculosis and Malaria (2015). Results. Available from <http://www.theglobalfund.org/en/about/results/> (accessed on 19 January 2015).
- Global Partnership for Education (2014). Results for learning report 2014/15: basic education at risk. Washington, D.C. December.
- Go, Delfin S., and Jose Alejandro Quijada (2011). Assessing the odds of achieving the MDGs. World Bank Policy Research Working Paper, No. 5825. Washington, D.C.: World Bank. October.
- Government Spending Watch (2013). Putting progress at risk? MDG spending in developing countries. Research Report in collaboration with Development Finance International (DFI) and Oxfam International. May.
- Graziano Da Silva, José, Mauro Eduardo Del Grossi and Caio Galvão de França, eds. (2011). *The Fome Zero (Zero Hunger) Program: The Brazilian Experience*. NEAD (Centre for Agrarian Studies and Rural Development) Special Series 13. Rome: Food and Agriculture Organization of the United Nations; and Brasilia: Ministry of Agrarian Development.
- Hall, Anthony (2006). From Fome Zero to Bolsa Familia: social policies and poverty alleviation under Lula. *Journal of Latin American Studies*, vol. 38, No.4, pp. 689–709.
- Hallward-Driemeier, Mary, and Ousman Gajigo (2013). Strengthening economic rights and women's occupational choice: the impact of reforming Ethiopia's family law. World Bank Policy Research Working Paper, No. 6695. Washington, D.C.: World Bank.
- Hamel, Mary J., and others (2011). The combination of indoor residual spraying and insecticide-treated nets provides added protection against malaria compared with insecticide-treated nets alone. *American Journal of Tropical Medicine and Hygiene*, vol. 85, No. 6.
- Hanemann, Ulrike (2015). Evolution of literacy campaigns and programmes and their impact since 2000. Background paper for EFA Global Monitoring Report 2015. Paris: United Nations Educational, Scientific and Cultural Organization.
- Haque, Tobias A., David S. Knight and Dinuk S. Jayasuriya (2012). Capacity constraints and public financial management in small Pacific island countries. Washington, D.C.: World Bank.
- Hasan, Amer (2010). Gender-targeted conditional cash transfers: enrolment, spillover effects and instructional quality. Washington, D.C.: World Bank.

- Hasan, Arif (2006). Orangi Pilot Project: the expansion of work beyond Orangi and the mapping of informal settlements and infrastructure. *Environment and Urbanization*, vol. 18, No. 2, pp. 451–480.
- Hasan, Arif (2008). Financing the sanitation programme of the Orangi Pilot Project: Research and Training Institute in Pakistan. *Environment and Urbanization*, vol. 20, No. 1, pp. 109–120.
- Hasan, Arif (2010). *Participatory Development: The Story of the Orangi Pilot Project—Research and Training Institute and the Urban Resource Centre, Karachi*. Oxford: Oxford University Press.
- Hayden, Erika Check (2014). Ebola outbreak shuts down malaria-control efforts. *Nature*, vol. 514, No. 15, 2 October.
- Hill, Ruth Vargas, and Eyasu Tsehaye (2014). Growth, safety nets and poverty: assessing progress in Ethiopia from 1996 to 2011. Background paper prepared for the Ethiopia Poverty Assessment 2014. Poverty Global Practice Africa Region. Washington, D.C.: World Bank. January 2015.
- Holmes, M., and A. Evans (2003). A review of experience in implementing medium term expenditure frameworks in a PRSP context: a synthesis of eight country studies. London: Overseas Development Institute.
- Hong, Pingfan (2015). Transforming growth patterns for sustainable development. Background paper prepared for *World Economic and Social Survey 2014/2015*.
- Hong, Pingfan, Hung-Yi Li and Alfred Peng (2014). Income inequality and economic growth. World Economic Situation and Prospects: weekly highlight. Department of Economic and Social Affairs of the United Nations Secretariat. Available from [http://www.un.org/en/development/desa/policy/wesp/wesp\\_wh/wesp\\_wh53.pdf](http://www.un.org/en/development/desa/policy/wesp/wesp_wh/wesp_wh53.pdf).
- Hoque, Mohammed A., M. Mozzamel Hoque and Kazi Matin Ahmed (2007). Declining groundwater level and aquifer dewatering in Dhaka metropolitan area, Bangladesh: causes and quantification. *Hydrogeology Journal*, vol. 5, pp. 1523–1534.
- Huchzermeyer, Marie (2011). *Cities with Slums: From Informal Settlement Eradication to a Right to the City in Africa*. Claremont, South Africa: UCT Press.
- Huicho, Luis, and others (2008). How much does quality of child care vary between health workers with differing durations of training? an observational multicountry study. *Lancet*, vol. 372, No. 9642 (13 September), pp. 910–916.
- Ihsan Ajwad, Mohamed (2007). Performance of social safety net programs in Uttar Pradesh. SP (Social Protection) Discussion Paper, No. 0714. Washington, D.C.: World Bank.
- Ilzetski, Ethan, and Carlos Végh (2008). Procyclical fiscal policy in developing countries: truth or fiction? *NBER Working Paper*, No. 14191. Cambridge, Massachusetts: National Bureau of Economic Research.
- India, Ministry of Housing and Urban Poverty Alleviation (2010). Report of the Committee on Slum Statistics/Census. New Delhi. Available from [http://nbo.nic.in/Images/PDF/REPORT\\_OF\\_SLUM\\_COMMITTEE.pdf](http://nbo.nic.in/Images/PDF/REPORT_OF_SLUM_COMMITTEE.pdf).

- Institute of Policy Studies of Sri Lanka (2014). Sri Lanka Millennium Development Goals Country Report 2014. Sri Lanka: United Nations Development Programme.
- International Labour Organization (2011). Social protection floor for a fair and inclusive globalization. Report of the Social Protection Floor Advisory Group. Geneva.
- International Labour Organization (2012a). The strategy of the International Labour Organization: social security for all – building social protection floors and comprehensive social security systems. Geneva.
- International Labour Organization (2012b). *Global Employment Trends for Women: December 2012*. Geneva: International Labour Office.
- International Monetary Fund (2011). Revenue mobilization in developing countries. Washington, D.C.
- International Monetary Fund (2013). *Regional Economic Outlook: Sub-Saharan Africa - Keeping the Pace*. World Economic and Financial Surveys. Washington, D.C.: October. Available from <http://www.imf.org/external/pubs/ft/reo/2013/afr/eng/sreo1013.pdf>.
- International Monetary Fund (2014). *Annual Report on Exchange Arrangements and Exchange Restrictions 2014*. Available from <http://www.imf.org/external/pubs/nft/2014/areaers/ar2014.pdf>.
- International Monetary Fund and International Development Association (1999). Heavily Indebted Poor Countries (HIPC) Initiative: strengthening the link between debt relief and poverty reduction. Washington, D.C. 26 August.
- International Monetary Fund, Organization for Economic Cooperation and Development, United Nations and World Bank Group (2000). A better world for all: progress towards the international development MDGs.
- Inter-Parliamentary Union and the Millennium Campaign (2010). Analytical study of parliamentary mechanisms for MDGs. Geneva: IPU.
- Iqbal, Farrukh, and Youssouf Kiendrebeogo (2014). The reduction of child mortality in the Middle East and North Africa: a success story. Policy Research Working Paper No. 7023. Washington, D.C.: World Bank.
- Islam, Asadul, and Chongwoo Choe (2013). Child labor and schooling responses to access to microcredit in rural Bangladesh. *Economic Inquiry*, vol. 51, No. 1, pp. 46–61.
- Ivanyina, Maksym, and Anwar Shah (2012). How close is your government to its people? worldwide indicators on localization and decentralization. World Bank Policy Research Working Paper, No. 6138. Washington, D.C.: World Bank.
- Jamison, Dean T., and others, eds. (2006). *Disease Control Priorities in Developing Countries*, 2<sup>nd</sup> ed. Washington, D.C.: World Bank.
- Jolly, Richard (2005). The UN and development thinking and practice. *Forum for Development Studies*, No. 1–2005 (5 June).
- Juffe-Bignoli, D., and others (2014). *Protected Planet Report 2014*. Cambridge, United Kingdom: United Nations Environment Programme World Conservation Monitoring Centre (UNEP-WCMC). Available from [http://wdpa.s3.amazonaws.com/WPC2014/protected\\_planet\\_report.pdf](http://wdpa.s3.amazonaws.com/WPC2014/protected_planet_report.pdf).

- Kabaka, Stewart, and Christine Wanza Kisia (2011). National deworming program: Kenya's experience. Draft background paper No. 22, commissioned by the World Health Organization for the World Conference on Social Determinants of Health, Rio de Janeiro, Brazil, 19–21 October 2011.
- Kaminsky, Graciela, Carmen Reinhart and Carlos Végh (2005). When it rains, it pours: procyclical capital flows and macroeconomic policies. *NBER Macroeconomics Annual 2004*, vol. 19, pp. 11–82. Cambridge, Massachusetts: National Bureau of Economic Research.
- Khan, A.R. (2005). Employment and Millennium Development Goals: analytics of the linkage. *Bangladesh Development Studies*, vol. XXXI, Nos. 1 and 2 (March–June).
- Khan, Tehmina, and others (2013). Mongolia: gender disparities in labour markets and policy suggestions. World Bank policy note, No. 77508. Washington, D.C.: World Bank.
- Korinek, J. (2013). Mineral resource trade in Chile: contribution to development and policy implications. OECD Trade Policy Papers, No. 145. Paris: Organization for Economic Cooperation and Development.
- Krausmann, F., and others (2009). Growth in global materials use, GDP and population during the 20<sup>th</sup> century. *Ecological Economics*, vol. 68, No. 10, pp. 2696–2705.
- Kuruvilla, Shyama, and others. (2014). Success factors for reducing maternal and child mortality. *Bulletin of the World Health Organization*, vol. 92, No. 7, pp. 465–544.
- Kuyuncu, Cuneyt, and Rasim Yilmaz (2009). The impact of corruption on deforestation: a cross-country evidence. *Journal of Developing Areas*, vol. 42, No. 2 (spring), pp. 213–222.
- Kwon, Huck-ju, and Eunju Kim (2014). Poverty reduction and good governance: examining the rationale of the Millennium Development Goals. *Development and Change*, vol. 45, Issue 2.
- Lawry, Steven, and others (2014). The impact of land property rights interventions on investment and agricultural productivity in developing countries: a systematic review. *Campbell Systematic Reviews*, vol. 10, No. 1.
- Leadley, P.W., and others (2014). *Progress towards the Aichi Biodiversity Targets: An Assessment of Biodiversity Trends, Policy Scenarios and Key Actions*. CBD Technical Series, No. 78. Montreal, Canada: Secretariat of the Convention on Biological Diversity. Available from <http://www.cbd.int/doc/publications/cbd-ts-78-en.pdf>.
- Le Houerou, Philippe and Robert Taliércio (2002). Medium term expenditure frameworks: from concept to practice. Preliminary lessons from Africa. Africa Region Working Paper Series, No. 28. Washington, D.C.: World Bank.
- Lee, Il Houn, Murtaza Syed and Liu Xueyan (2012). Is China over-investing and does it matter? IMF Working Paper, No. WP/12/277. Washington, D.C.: International Monetary Fund.

- Lerberg, Priya Miriam, and others (2014). Barriers to skilled birth attendance: a survey among mothers in rural Gambia. *African Journal of Reproductive Health*, vol. 18, No. 1, pp. 35–43.
- Levy, Santiago, and Norbert Schady (2013). Latin America's social policy challenge: education, social insurance, redistribution. *Journal of Economic Perspectives*, vol. 27, No. 2, pp.193–218.
- Lim, Stephen S., and others. (2011). Net benefits: a multicountry analysis of observational data examining associations between insecticide-treated mosquito nets and health outcomes. *PLoS ONE*, vol. 8, No. 9.
- Lopez-Acevedo, Gladys, Philipp Krause and Keith Mackay, eds. (2012). *Building Better Policies: The Nuts and Bolts of Monitoring and Evaluation Systems*. Washington, D.C.: World Bank.
- MacKellar, Landis (2005). Priorities in global assistance for health, AIDS, and population. *Population and Development Review*, vol. 31, No. 2 (June), pp. 293–312.
- Maeda, Akiko, and others (2014). *Universal Health Coverage for Inclusive and Sustainable Development: A Synthesis of 11 Country Case Studies*. Washington, D.C.: World Bank.
- Majgaard, Kirsten, and Alain Mingat (2012). *Education in Sub-Saharan Africa: A Comparative Analysis*. Washington, D.C.: World Bank.
- Manasyan, Albert, and others (2009). Assessment of obstetric and neonatal health services in developing country health facilities. *American Journal of Perinatology*, vol. 30, No. 9 (October), pp. 787–794.
- Manning, Richard (2009). *Using Indicators to Encourage Development: Lessons from the Millennium Development Goals*. DIIS Report 2009:01. Copenhagen: Danish Institute for International Studies.
- Mapto-Kengne, Valesse, and Alain Mingat (2002). Analyse comparative internationale de la féminisation du corps enseignant et de l'impact du sexe de l'enseignant sur la performance des systèmes éducatifs primaires en Afrique. Communication, French Association of Comparative Education (AFEC) Conference, Caen, May 23–25.
- Marcel, Mario (2013). The structural balance rule in Chile: ten years, ten lessons. IADB Discussion Paper, No. 289. Washington, D.C.: Inter-American Development Bank.
- Martin, Pamela L. (2011). Pay to preserve: the global politics of Ecuador's Yasuni-ITT proposal. *International Development Policy* 2. Geneva.
- Martin, Pamela L. (2014). Ecuador's Yasuni-ITT initiative: what can be learned from its failure? *International Development Policy* 5.2. Geneva.
- McMillan, Margaret S., and Kenneth Harttgen (2014). What is driving the 'African growth miracle'? *NBER Working Paper*, No. 20077. Cambridge, Massachusetts: National Bureau of Economic Research. April.
- McNabb, Kyle, and Philippe LeMay-Boucher (2014). Tax structures, economic growth and development. ICTD Working Paper, No. 22. Brighton, United Kingdom: Institute for Development Studies, International Centre for Tax and Development.

- MDG Achievement Fund (2013). Gender equality and women's empowerment: thematic window development results report—October 2013. New York: United Nations.
- Meng, Xin, and Jim Ryan (2007). Does a food for education program affect school outcomes? the Bangladesh case. IZA Discussion Paper, No. 2557. Bonn: Institute for the Study of Labor. January.
- Miller-Grandvaux, Yolande, and Karla Yoder (2002). A literature review of community schools in Africa. Washington, D.C.: United States Agency of International Development (USAID).
- Morales-Capones, Erlinda. (2013). Lessons learned in achieving the MDGs: the Philippine experience. 2013 Global MDG Conference, UNDP Working Paper No. 12. New York: UNDP. December.
- Moriarty Patrick, and others (2009). Synthesis paper: reaching universal access: Ethiopia's universal access plan in the Southern Nations, Nationalities, and People's Region (SNNPR)—research-inspired policy and practical learning in Ethiopia and the Nile region (RiPPLE). Addis Ababa.
- Mrisho, Mwifadhi, and others (2009). The use of antenatal and postnatal care: perspectives and experiences of women and health care providers in rural southern Tanzania. *BMC Pregnancy and Childbirth*, vol. 9, No. 10, pp.1–12.
- Mukanga, David, and others (2012). Integrated community case management of fever in children under five using rapid diagnostic tests and respiratory rate counting: a multi-country cluster randomized trial. *American Journal of Tropical Medicine and Hygiene*, vol. 87, No. 5.
- Mulkeen, Aidan (2010). *Teachers in Anglophone Africa: Issues in Teacher Supply, Training and Management*. Washington, D.C.: World Bank.
- Naicker, Saraladevi, and others (2009). Shortage of healthcare workers in developing countries: Africa. *Ethnicity and Disease*, vol. 19, Suppl 1.
- Nepal, Government of Nepal, National Planning Commission (2013). Nepal Millennium Development Goals Progress Report 2013. Kathmandu: United Nations Development Programme.
- Niessen, Louis, and others (2009). Comparative impact assessment of child pneumonia interventions. *Bulletin of the World Health Organization*, vol. 87, pp. 472–480.
- Nigeria, Government of the Federal Republic of Nigeria (2010). Nigeria Millennium Development Goals 2010 Report. Available from [http://www.undp.org/content/dam/undp/library/MDG/english/MDG%20Country%20Reports/Nigeria/nigeria\\_2010.pdf](http://www.undp.org/content/dam/undp/library/MDG/english/MDG%20Country%20Reports/Nigeria/nigeria_2010.pdf).
- Nino-Zarazua, Miguel, and others (2010). *Social Protection in Sub-Saharan Africa: Will the Green Shoots Blossom?* BWPI Working Paper No. 116. Manchester, United Kingdom: University of Manchester, Brooks World Poverty Institute. April.
- Njeuhmeli, Emmanuel, and others (2011). Voluntary medical male circumcision: modeling the impact and cost of expanding male circumcision for HIV prevention in Eastern and Southern Africa. *PLoS Med*, vo. 8, No. 11. doi:10.1371/journal.pmed.1001132.

- Nugent, Rachel A., and Andrea B. Feigl (2010). Where have all the donors gone? scarce donor funding for non-communicable diseases. CGD Working Paper, No. 228. Washington, D.C.: Center for Global Development. November.
- Odusola, Ayodele (2013). Accelerating progress on maternal health in Africa: lessons from emerging policy and institutional innovations. Working Paper No. 11. New York: United Nations Development Programme. December.
- Organization for Economic Cooperation and Development (1996). *Shaping the 21<sup>st</sup> century: The Contribution of Development Cooperation*. Paris.
- Organization for Economic Cooperation and Development (2001). *The DAC Guidelines: Poverty Reduction*. Paris.
- Organization for Economic Cooperation and Development (2013a). *Effective Carbon Prices*. Paris. Available from [http://www.oecd-ilibrary.org/environment/effective-carbon-prices\\_9789264196964-en](http://www.oecd-ilibrary.org/environment/effective-carbon-prices_9789264196964-en).
- Organization for Economic Cooperation and Development (2013b). *Development Co-operation Report 2013: Ending Poverty*. Paris.
- Organization for Economic Cooperation and Development (2014a). Fragile states 2014: domestic revenue mobilisation in fragile states. Paris. Available from <http://www.oecd.org/dac/incaf/FSR-2014.pdf>.
- Organization for Economic Cooperation and Development (2015b). OECD Statistics, available from <http://stats.oecd.org/>, accessed on 16 January 2015.
- Ortiz, Isabel, Jingqing Chai and Matthew Cummins (2011). Identifying fiscal space: options for social and economic development for children and poor households in 182 countries. Social and Economic Policy Working Paper. New York: United Nations Children's Fund.
- Ostry, Jonathan D., Andrew Berg and Charalambos G. Tsangarides (2014). Redistribution, inequality, and growth. IMF Staff Discussion Note 14/02. February. Washington, D.C.: International Monetary Fund. Available from <http://www.imf.org/external/pubs/ft/sdn/2014/sdn1402.pdf>.
- Overseas Development Institute (ODI) (2014). Improvements in the quality of basic education: Chile's experience. London.
- Oxfam (2013). MDG progress report 2013: Goal 7—to ensure environmental sustainability. United Kingdom: Oxfam Education.
- Oxford Policy Management (2000). Medium term expenditure frameworks—panacea or dangerous distraction? OPM Review, Paper 2. Oxford, United Kingdom. May.
- Padmanaban, P., and others (2009). Innovations and challenges in reducing maternal mortality in Tamil Nadu, India. *Journal of Health, Population and Nutrition*, vol. 27, No. 2, pp. 202–219.
- Pakistan, Government of Pakistan, Planning Commission (2013). Pakistan Millennium Development Goals Report 2013. Islamabad: United Nations Development Programme.
- Pang, Choljun, and others (2013). Deforestation and changes in landslide patterns from 1979 to 2006 in Suan County, DPR Korea. *Forests*, vol. 4, No. 4, pp. 968–983.

- PARIS21 (2014). National strategies for the development of statistics progress report – NSDS summary table for IDA and lower middle income countries. March 2014.
- Pell, Christopher, and others. (2013). Factors affecting antenatal care attendance: results from qualitative studies in Ghana, Kenya and Malawi. *PLoS ONE*, vol. 8, No. 1, pp. 1–11.
- Pinter, Laszlo, Dora Almassy and Livia Bizikova (2015). MDG experience regarding land-related environmental issues and the lessons for implementation of the post-2015 agenda. Background paper prepared for *World Economic and Social Survey 2014/2015*.
- Pluess, Binaca, and others (2010). Indoor residual spraying for preventing malaria. *Cochrane Database of Systematic Reviews 2010*, Issue 4.
- Prichard, Wilson, Alex Cobham and Andrew Goodall (2014). The ICTD government revenue dataset. ICTD Working Paper, No. 19. Brighton, United Kingdom: Institute for Development Studies, International Centre for Tax and Development.
- Rahman, Mizanur, Julie DaVanzo and Abdur Razzaque (2001). Do better family planning services reduce abortion in Bangladesh? *The Lancet*, vol. 358, pp. 1051–1056.
- Rajan, S. Irudaya (2014). Emigration from Kerala, Andhra Pradesh and Tamil Nadu: a mapping of surveys on international labour migration from India. Quezon City, Philippines: Migrant Forum in Asia.
- Randive, Bharat, Vishal Diwan and Ayesha De Costa (2013). India's Conditional Cash Transfer Programme (the JSY) to Promote Institutional Birth: is there an association between institutional birth proportion and maternal mortality? *PLoS ONE*, vol. 8, No. 6 (June 27).
- Ranganathan, Meghna, and Mylene Lagarde (2012). Promoting healthy behaviours and improving health outcomes in low and middle income countries: a review of the impact of conditional cash transfer programmes. *Preventive Medicine*, vol. 55, 55 Suppl, pp. S95–S105.
- Ratha, Dilip (2013). The impact of remittances on economic growth and poverty reduction. Migration Policy Institute Policy Brief No. 8. Washington, D.C. September.
- Ravallion, Martin (2009). Are there lessons for Africa from China's success against poverty? *World Development*, vol. 37, No. 2, pp. 303–313.
- Rekacewicz, Philippe (2009). *Vital Forest Graphics*. Nairobi: UNEP/ GRID Arundel.
- Reyes, M. T., and S. Abejo (2006). Mechanisms and initiatives for monitoring Philippines progress in MDGs. UNESCAP/SIAP/UNDP/ADP Workshop Statistics for Monitoring and Achievement of the MDGs in Asia and the Pacific. Bangkok.
- Rockström, Johan, and others (2009). A safe operating space for humanity. *Nature*, vol. 461, No. 7263, pp. 472–475.
- Rogers, F. Halsey, and Emiliana Vegas (2009). No more cutting class? reducing teacher absence and providing incentives for performance. World Bank Policy Research Working Paper, No. 4847. Washington, D.C.: World Bank.

- Rojas-Reyes, Maria Ximena, and Claudia Granados Rugeles (2009). Oral antibiotics versus parenteral antibiotics for severe pneumonia in children. *Cochrane Database of Systematic Reviews*, Issue 2.
- Rudel, T.K., and others (2009). Changing drivers of deforestation and new opportunities for conservation. *Conservation Biology*, vol. 23, No. 6, pp. 1396–1405.
- Ruiz, I. Z. (2010). Effectiveness assessment of maternity waiting homes in increasing coverage of institutional deliveries using geographical information systems in six districts of Cabo Delgado Province (Mozambique). Master of Public Health thesis. University of South Africa. November .
- Rwanda, Ministry of Health (2008). Integrated approach to reducing malaria related morbidity and mortality in Rwanda. National Malaria Control Programme.
- Rwanda, Ministry of Finance and Economic Planning (2013). Millennium Development Goals Rwanda Final Progress Report: 2013. Kigali: United Nations Development Programme.
- Rwanda, Ministry of Infrastructure (2010). National policy and strategy for water supply and sanitation services. Kigali. February. Available from [http://www.rura.rw/fileadmin/docs/Board\\_Decisions/WATSAN\\_Policy\\_Strategy.pdf](http://www.rura.rw/fileadmin/docs/Board_Decisions/WATSAN_Policy_Strategy.pdf).
- Sánchez, Marco V. (2013). Los retos del crecimiento económico y el gasto público social para cumplir los ODM en Costa Rica. In *Políticas Públicas, Crecimiento y Objetivos de Desarrollo del Milenio en Costa Rica: Costeo y Notas con Base en Análisis de Escenarios*, Marco V. Sánchez and Gerald Mora Muñoz, eds. San José, Costa Rica: United Nations Development Programme.
- Sánchez, Marco V. (2015). Macroeconomic trade-offs and external vulnerabilities of human development in Nicaragua. *CEPAL Review*, No. 115 (April). Santiago, Chile: Economic Commission for Latin America and the Caribbean.
- Sánchez, Marco V., and Martín Cicowiez (2014). Trade-offs and payoffs of investing in human development. *World Development*, vol. 62 (October), pp. 14–29.
- Sánchez, Marco V., Alex Julca, and John Winkel (2015a). National adoption, governance and institutions of MDGs: lessons and implications for post-2015. Background paper prepared for *World Economic and Social Survey 2014/2015*.
- Sánchez, Marco V., Alex Julca and John Winkel (2015b). Social policies during the MDG period: lessons and implications for post-2015. Background paper prepared for *World Economic and Social Survey 2014/2015*. February.
- Sánchez, Marco V., and Pablo Sauma, eds. (2011). *Vulnerabilidad económica externa, protección social y pobreza en América Latina*. FLACSO, CEPAL y NNUU DESA.
- Sánchez, Marco V., and Rob Vos, eds. (2013). *Financing Human Development in Africa, Asia and the Middle East*. New York: Bloomsbury, in association with the United Nations.
- Sánchez, Marco V., and others, eds. (2010). *Public Policies for Human Development. Feasible Financing Strategies for Achieving MDGs in Latin America and the Caribbean*. London: Palgrave Macmillan.

- Sanga, Dimitri (2011). The challenges of monitoring and reporting on the Millennium Development Goals in Africa by 2015 and beyond. *African Statistical Journal*, vol. 12 (May), pp. 104–118.
- Satterthwaite, David (2015). MDG experience with regard to drinking water, sanitation, and slums. Background paper prepared for *World Economic and Social Survey 2014/2015*.
- Satti, Hind, and others. (2012). Comprehensive approach to improving maternal health and achieving MDG 5: report from the mountains of Lesotho. *PLoS One*, vol. 7, No. 8. Available from [www.plosone.org/article/info:doi/10.1371/journal.pone.0042700](http://www.plosone.org/article/info:doi/10.1371/journal.pone.0042700).
- Secretariat of the Convention on Biological Diversity (2014). National reports. Available from <https://www.cbd.int/reports/search/>.
- Sen, Amartya (1982). *Choice, Welfare and Measurement*. Oxford: Basil Blackwell.
- Sen, Amartya (1985). *Commodities and Capabilities*. Amsterdam: North-Holland.
- Sen, Amartya (1989). Development as capability expansion. *Journal of Development Planning*, vol. 19, pp. 41–58.
- Sen, Amartya (1999). *Development as Freedom*. Oxford: Oxford University Press.
- Seyedsayamdost, Elham (2014). MDG-based national planning: an assessment. Study commissioned by UNDP's Independent Evaluation Office in contribution to their report "Evaluation of the Role of UNDP in Supporting National Achievement of the Millennium Development". November.
- bir Sheikh, Kabir, and others (2011). Building the field of health policy and systems research: framing the questions. *PloS Medicine*, vol. 8, No. 8 (16August).
- Shindell, Drew (2015). MDG experience with regard to climate change efforts. Background paper prepared for *World Economic and Social Survey 2014/2015*.
- Shuchen, Meng, Tao Yong and Liu Jiayi (2004). Rural water supply and sanitation in China: scaling up services for the poor. Case study from Reducing Poverty, Sustaining Growth: What Works, What Doesn't, and Why—Prepared for Scaling Up Poverty Reduction: A Global Exchange for Scaling Up Success—A Global Learning Process and Conference, Shanghai, China, 25–27 May 2004. World Bank.
- Singh, Susheela, and others (2009). *Adding It Up: The Costs and Benefits of Investing in Family Planning and Maternal and Newborn Health*. New York: Guttmacher Institute; and New York: United Nations Population Fund.
- Skoufias, Emmanuel, and others (2014). Electoral accountability and local government spending in Indonesia. World Bank Policy Research Working Paper, No. 6782. Washington, D.C.: World Bank.
- Smith, Kirk R. (2006). Health impacts of household fuel-wood use in developing countries. *Unasylva*, vol. 224, No. 57, pp. 41–44.
- Smith, Kirk R., and others (2011). Effect of reduction in household air pollution on childhood pneumonia in Guatemala (RESPIRE): a randomised controlled trial. *The Lancet*, vol. 378, pp. 1717–1726.
- Smith, W. James, and Kalanidhi Subbarao (2003). What role for safety net transfers in very low income countries? SP (Social Protection) Discussion Paper No. 030. Washington, D.C.: World Bank.

- Soares, Favio Veras, and Elydia Silva (2010). Conditional cash transfer programmes and gender vulnerabilities: case studies from Brazil, Chile and Colombia. London: Overseas Development Institute. October.
- South Africa (Republic of) (2013). Millennium Development Goals Country Report 2013: The South Africa I Know, the Home I Understand. Pretoria: United Nations Development Programme.
- South African Human Rights Commission (2014). Report on the right to access sufficient water and decent sanitation in South Africa: 2014. Available from [http://www.gov.za/sites/www.gov.za/files/report\\_right\\_access\\_water\\_sanitation2014\\_a.pdf](http://www.gov.za/sites/www.gov.za/files/report_right_access_water_sanitation2014_a.pdf).
- Souza, João Paulo, and others (2014). Moving beyond essential interventions for reduction of maternal mortality (the WHO Multicountry Survey on Maternal and Newborn Health): a cross-sectional study. *Lancet*, vol. 381, No. 9879, pp. 1747–1755.
- Spash, Clive L. (2010). The brave new world of carbon trading. MPR paper, No. 19114. Munich Germany: Munich Personal RePEc Archive. December.
- Steinberg, Karin, and others (2014). Advancing social and economic development by investing in women's and children's health: a new Global Investment Framework. *Lancet*, vol. 383, No. 9925 (12 April), pp. 1333–1354.
- Stephens, S., and M.R. Wagner (2007). Forest plantations and biodiversity: a fresh perspective. *Journal of Forestry*, vol. 105, No. 6, pp. 307–313.
- Subramanian, Savitha, and others (2011). Do we have the right models for scaling up health services to achieve the Millennium Development Goals? *BMC Health Services Research*, vol. 11, No. 336.
- Sugawara, Naotaka (2014). From volatility to stability in expenditure: stabilization funds in resource-rich countries. IMF Working Paper, No. 14/43, Washington, D.C.: International Monetary Fund.
- Sumarto, Sudarno, Asep Suryahadi and Wenefrida Widjanti (2010). Designs and implementation of the Indonesian Social Safety Net Programs. In *Poverty and Social Protection in Indonesia*, Joan Hardjono, Nunin Akhmadi and Sudarno Sumarto, eds. Singapore: Institute of Southeast Asian Studies. Chap. 6.
- Tanzania Commission for AIDS (TACAIDS) (2013). Tanzania Third National Multi-Sector Strategic Framework for HIV and AIDS (2013/14–2017/18). Dar es Salaam: TACAIDS.
- Tawfik, Linda, and Stephen N. Kinoti (2006). The impact of HIV/AIDS on the health workforce in developing countries. Background paper prepared for *World Health Report 2006*. Geneva: World Health Organization.
- Taylor-Smith, K, and others. (2013). Achieving the Millennium Development Goal of reducing maternal mortality in rural Africa: an experience from Burundi. *Tropical Medicine and International Health*, vol. 18, No. 2, pp. 166–174.
- Thailand, Office of the National Economic and Social Development Board (2009). Thailand Millennium Development Goals Report 2009. Bangkok: United Nations Development Programme.

- The Times of India* (2015). West Delhi plant to turn sewage into drinking water. 10 July 2015. Available from <http://timesofindia.indiatimes.com/city/delhi/West-Delhi-plant-to-turn-sewage-into-drinking-water/articleshow/48011917.cms>
- Toropova, Caitlyn, and others, eds. (2010). *Global Ocean Protection: Present Status and Future Possibilities*. Brest, France: Agence des aires marines protégées; Gland, Switzerland, Washington, D.C., and New York: IUCN WCPA; Cambridge, United Kingdom: UNEP World Conservation Monitoring Centre; Arlington, Virginia: The Nature Conservancy; Yokohama, Japan: United Nations University Institute of Advanced Studies; and Bronx, New York: Wildlife Conservation Society.
- Transparency International (2010). *The Anti-Corruption Catalyst: Realizing the MDGs by 2015*. Berlin. Available from <http://www.transparency-usa.org/documents/AntiCorruptionCatalystRealisingtheMDGby2015.pdf>.
- Republic of Uganda, Ministry of Finance, Planning and Economic Development (2013). *Millennium Development Goals Report for Uganda 2013: Drivers of MDG Progress in Uganda and Implications for the Post-2015 Development Agenda*. Kampala: United Nations Development Programme.
- UNAIDS (2013). *Global Report: UNAIDS Report on the Global AIDS Epidemic 2013*. Geneva.
- UNAIDS (2014). *The Gap Report*. Geneva: UNAIDS.
- United Nations (1951a). *Measures for the Economic Development of Underdeveloped Countries: Report by a Group of Experts Appointed by the Secretary-General of the United Nations*. E/1986. Sales No. 1951.II.B.2.
- United Nations (1951b). *Measures for International Economic Stability: Report by a Group of Experts Appointed by the Secretary-General of the United Nations*. E/2156. Sales No. 1951.II.A.2.
- United Nations (1962). Report of the Secretary-General on the United Nations development decade: proposals for action. E/3613.
- United Nations (1979). United Nations Treaty Series, vol. 1249, No. 20378.
- United Nations (1993). *Report of the United Nations Conference on Environment and Development, Rio de Janeiro, 3–14 June 1992*, vol. I, *Resolutions Adopted by the Conference*. Sales No. E.93.I.8 and corrigendum. Resolution 1, annex I: Rio Declaration on Environment and Development. Resolution 1, annex II: Agenda 21.
- United Nations (2010). *World Economic Situation and Prospects 2010*. Sales No. E.10.II.C.2.
- United Nations (2012). *World Economic and Social Survey 2012: In Search of New Development Finance*. Sales No. E.12.II.C.1.
- United Nations (2013a). *Demographic Yearbook 2013*. Sales No. B.15.XIII.1.H.
- United Nations (2013b). Lessons learned from MDG monitoring from a statistical perspective. Report of the Task Team on Lessons Learned from MDG Monitoring of the Inter-Agency and Expert Group, (IAEG) on MDG Indicators. March.
- United Nations (2014a). *The Millennium Development Goals Report 2014*. Sales No. 14.I.10.P.

- United Nations (2014b). *Good Practices and Innovations in Public Governance. United Nations Public Service Awards Winners, 2012–2013*. Sales No. 13.II.H.1.
- United Nations (2014c). *United Nations E-Government Survey 2014: E-Government for the Future We Want*. Sales No. E.14.H.1.
- United Nations (2014d). *MDG Gap Task Force Report 2014: The State of the Global Partnership for Development*. Sales No. E.14.I.7.
- United Nations (2015a). *The Millennium Development Goals Report 2015*. Sales No. E.15.I.7.
- United Nations (2015b). *MDG Gap Task Force Report 2015: Taking Stock of the Global Partnership for Development*. Sales No. E.15.I.5.
- United Nations (2015c). *World Economic Situation and Prospects 2015*. Sales No. E.15.II.C.2.
- United Nations, Convention to Combat Desertification (2014). *The Land in Numbers: Livelihoods at a Tipping Point*. Bonn.
- United Nations, Department of Economic Affairs (1949). *National and International Measures for Full Employment*. Report by a Group of Experts appointed by the Secretary-General. Lake Success, New York. December.
- United Nations, Department of Economic and Social Affairs (2013). *Citizen Engagement Practices by Supreme Audit Institutions: Compendium of Innovative Practices of Citizen Engagement by Supreme Audit Institutions for Public Accountability*. Division for Public Administration and Development Management. New York. Sales No. 13.II.H.2
- United Nations, Department of Economic and Social Affairs (2014a). Background material for *World Economic and Social Survey 2014/2015* on indigenous groups and people with disabilities. Division for Social Policy and Development. New York. December.
- United Nations, Department of Economic and Social Affairs (2014b). Background material for *World Economic and Social Survey 2014/2015* on reproductive health and MDGs. Population Division. New York. October.
- United Nations, Economic and Social Commission for Asia and the Pacific (2013). *Asia-Pacific Aspirations: Perspectives for a Post-2015 Development Agenda—Asia-Pacific Regional MDGs Report 2012/2013*. Bangkok. August. Available from <http://www.unescap.org/resources/asia-pacific-regional-mdg-report-201213-asia-pacific-aspirations-perspectives-post-2015>.
- United Nations, Economic and Social Commission for Western Asia (2010). Report on Millennium Development Goal and Gender Indicators. E/ESCWA/SD/2010/IG.1/9. Beirut. 6 September 2010.
- United Nations, Economic Commission for Africa (2011). Handbook on data sources and estimation of development indicators in African countries MDGs. Statistics Working Paper, No. 4. May.
- United Nations, General Assembly (2000a). Report of the Secretary-General entitled “We the peoples: the role of the United Nations in the twenty-first century”. 27 March. A/54/2000.
- United Nations, General Assembly (2000b). United Nations Millennium Declaration. Resolution adopted by the General Assembly, A/RES/55/2.

- United Nations, General Assembly (2010). Sustained, inclusive and equitable economic growth for poverty eradication and achievement of the Millennium Development Goals. Resolution adopted by the General Assembly on 23 November 2010, A/RES/65/10.
- United Nations, General Assembly (2012). Report of the Office of the United Nations Commissioner for Human Rights on technical guidance on the application of a human rights based approach to the implementation of policies and programmes to reduce preventable maternal morbidity and mortality. A/HRC/21/22. 2 July 2012.
- United Nations, General Assembly (2014a). Report of the Secretary-General on accelerating progress towards the Millennium Development Goals: options for sustained and inclusive growth and issues for advancing the United Nations development agenda beyond 2015. A/69/201. 28 July.
- United Nations, General Assembly (2014b). Report of the Secretary-General on United Nations Office for Partnerships. A/69/218. 31 July.
- United Nations Children's Fund (2007). *The State of the World's Children 2008: Child Survival*. Sales No. E.08.XX.1.
- United Nations Children's Fund (2013a). *Improving Child Nutrition: The Achievable Imperative for Global Progress*. Sales No. E.13.XX.4.
- United Nations Children's Fund (2013b). *Committing to Child Survival: A Promise Renewed*. New York.
- United Nations Children's Fund, Middle East and North Africa Region (2014). Regional report on out-of-school children. Middle East and North Africa Out-of-School Children Initiative. Available from <http://www.uis.unesco.org/Education/Documents/oosci-report-mena.pdf>
- United Nations Children's Fund and World Bank (2009). *Abolishing school fees in Africa: lessons from Ethiopia, Ghana, Kenya, Malawi and Mozambique*. Washington, D.C.: World Bank.
- United Nations Children's Fund and World Health Organization (2014). *Fulfilling the Health Agenda for Women and Children: The 2014 Report*. Geneva.
- United Nations Children's Fund and World Health Organization (2015). *Progress on Sanitation and Drinking Water: 2015 Update and MDG Assessment*. New York.
- United Nations Conference on Trade and Development (2015). *World Investment Report 2015: Reforming International Investment Governance*. Geneva. Sales No. E.15.II.D.5.
- United Nations Development Group (2010). MDG good practices database. Available from [mdgpolicynet.undg.org/?q=node/11](http://mdgpolicynet.undg.org/?q=node/11). Last updated 30 December 2010.
- United Nations Development Group (2013). *Addendum to the MDG country report guidelines*. New York.
- United Nations Development Programme (1997a). *Human Development Report 1997*. Oxford: Oxford University Press.
- United Nations Development Programme (1997b). *Governance for Sustainable Human Development*. UNDP policy document. New York.
- United Nations Development Programme (2008). *Capacity assessment practice note*. New York. October.

- United Nations Development Programme (2009). Evaluation summary DGTTF Mongolia 2009: National database gave unanticipated results.
- United Nations Development Programme (2010a). *Beyond the Midpoint: Achieving the Millennium Development Goals*. Sales No. E.09.III.B.38.
- United Nations Development Programme (2010b). The path to achieving the Millennium Development Goals: a synthesis of evidence from around the world. New York.
- United Nations Development Programme (2010c). What will it take to achieve the Millennium Development Goals? New York.
- United Nations Development Programme (2011). Fighting corruption in the water sector: methods, tools and good practices. Author: Jeroen Vos. New York. October.
- United Nations Development Programme (2013). Accelerating progress, sustaining results. New York.
- United Nations Development Programme and National Democratic Institute for International Affairs (2012). *Empowering Women for Stronger Political Parties: A Guidebook to Promote Women's Political Participation*. New York and Washington, D.C.
- United Nations Educational, Scientific and Cultural Organization (2009). Needs and rights assessment: inclusive education in Afghanistan. Kabul: UNESCO Kabul.
- United Nations Educational, Scientific and Cultural Organization (2014). Progress in getting all children to school stalls but some countries show the way forward. Policy paper 14/fact sheet 28. Paris. June.
- United Nations Educational, Scientific and Cultural Organization (2015). *EFA Global Monitoring Report 2015: Education for All 2000-2015: Achievements and Challenges*. Paris.
- United Nations Environment Programme (2012a). *GEO 5: Global Environment Outlook— Environment for the Future We Want*. Valletta: Progress Press. Available from <http://www.unep.org/geo/geo5.asp>.
- United Nations Environment Programme (2012b). The UN-Water Status Report on the Application of Integrated Approaches to Water Resources Management 2012. Nairobi.
- United Nations Environment Programme, Twelfth Global Meeting of the Regional Seas Conventions and Action Plans (2010). Report of the International Expert Workshop on the 2010 Biodiversity Indicators and Post-2010 Indicator Development. UNEP (DEPI)/RS. 12/INF.5.RS.
- United Nations Environment Programme - World Conservation Monitoring Centre (2011). PRAIS briefing document. 2. Results: fostering evidence-based decision-making in UNCCD implementation—initial results from PRAIS reports in 2010. Available from [www.mediatorre.org/](http://www.mediatorre.org/).
- United Nations Human Settlements Programme (UN-Habitat) (2003). *The Challenge of Slums: Global Report on Human Settlements 2003*. London: Earthscan.
- United Nations Human Settlements Programme (UN-Habitat) (2013). *State of the World's Cities 2012/2013: Prosperity of Cities*. New York: Routledge.

- United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and the Small Island Developing States, and United Nations Development Programme (2006). *Governance for the future: democracy and development in the least developed countries*.
- United Nations Office on Drugs and Crime (2014). *Illicit money: how much is out there?* 25 October. Available from [www.unodc.org/unodc/en/frontpage/2011/October/illicit-money\\_-how-much-is-out-there.html](http://www.unodc.org/unodc/en/frontpage/2011/October/illicit-money_-how-much-is-out-there.html).
- United Nations Research Institute for Social Development (2010). *Combating Poverty and Inequality: Structural Change, Social Policy and Politics*. Sales No. E.10.III.Y.1.
- United Nations Trust Fund to End Violence against Women (2014). *Within our reach: solutions to end violence against women and girls*. New York.
- United States Agency for International Development (USAID) (2014). *The President's Malaria Initiative. Eighth annual report to Congress*. May. Washington, D.C.
- Unterhalter, Elaine (2014). Measuring education for the Millennium Development Goals: reflections on targets, indicators, and a post-2015 framework. *Journal of Human Development and Capabilities*, vol. 15, No. 2–3, pp. 176–187.
- Unterhalter, Elaine, and others (2014). *Interventions to enhance girls' education and gender equality*. London: Department for International Development.
- UN-Water (2012). *2011 UN-Water GLAAS country survey: raw output of written comments provided by country respondents*. 8 June. Available from [http://www.who.int/water\\_sanitation\\_health/publications/2012/glaas\\_comments.pdf?ua=1](http://www.who.int/water_sanitation_health/publications/2012/glaas_comments.pdf?ua=1).
- UN-Water (2014). *GLAAS: UN-Water Global Analysis and Assessment of Sanitation and Drinking-Water 2014. Investing In Water and Sanitation: Increasing Access, Reducing Inequalities*. Geneva: World Health Organization.
- UN Women (2015). *Progress of the World's Women 2015-2016: Transforming Economies, Realizing Rights*. New York: United Nations Entity for Gender Equality and the Empowerment of Women.
- Victora, Cessar G., and others (2000). Reducing deaths from diarrhoea through oral rehydration therapy. *Bulletin of the World Health Organization*, vol. 78, No. 10, pp. 1246–1255.
- Viet Nam (Socialist Republic of), Ministry of Planning and Investment (2013). *Millennium Development Goals Full Report 2013: Achievement and Challenges in the Progress of Reaching the Millennium Development Goals of Viet Nam*. Hanoi: United Nations Development Programme.
- Vlaicu, R., and others (2014). Multiyear budgets and fiscal performance: panel data evidence. *Journal of Public Economics*, vol. 111, pp. 79–95.
- Wagstaff, Adam, Caryn Bredenkamp and Leander R. Buisman (2014). *Progress toward the health MDGs: are the poor being left behind?* World Bank Policy Research Working Paper, No. 6894. Washington D.C.: World Bank.
- Wallace, Aaron S., Tove K. Ryman and Vance Dietz (2012). Experiences integrating delivery of maternal and child health services with childhood immunization programs: systematic review update. *Journal of Infectious Diseases*, vol. 205, Supplement 1.

- Wardlaw, Tessa, and others (2006). Comment. *Lancet*, vol. 368 (September 23).
- Willis-Shattuck, Mischa, and others (2008). Motivation and retention of health workers in developing countries: a systematic review. *BMC Health Services Research*, vol. 8, p. 247. Doi:10.1186/1472-6963-8-247. Complete version available from <http://www.biomedcentral.com/1472-6963/8/247>.
- Wolf, Susanna (2009). Water and sanitation for all? rural versus urban provision. *International Journal of Services, Economics and Management*, vol.1, No. 4.
- World Bank (2008). *International Trade and Climate Change: Economic, Legal, and Institutional Perspectives*. Washington, D.C.
- World Bank (2010a). Options for strengthening social safety nets in Lao P.D.R: a policy note. Washington, D.C. July.
- World Bank (2010b). *Global Monitoring Report 2010: The MDGs after the Crisis*. Washington, D.C.
- World Bank (2011a). *Global Monitoring Report 2011: Improving the Odds of Achieving the MDGs*. Washington, D.C.
- World Bank (2011b). *Healthy Partnerships: How Governments Can Engage the Private Sector to Improve Health in Africa*. Washington, D.C.
- World Bank (2011c). Capacity development of minimum service standards (MSS) costing and implementation. Draft final report. Washington, D.C.: World Bank. November.
- World Bank (2012a). Do school feeding programs help children? From Evidence to Policy, Note 66544. Washington, D.C. January.
- World Bank (2012b). From EVIDENCE to POLICY: how can we make schools work better? Note on learning what works, from the Human Development Network, No. 67200, Washington, D.C. February.
- World Bank (2013a). *Beyond the Annual Budget: Global Experience with Medium Term Expenditure Frameworks*. Washington, D.C.
- World Bank (2013b). What's the long-term impact of conditional cash transfers on education? From Evidence to Policy, Note 81528. Washington, D.C. June.
- World Bank (2013c). Philippines conditional cash transfer program: impact evaluation 2012. Report Number 75533-PH. Human Development Sector Unit. East Asia and Pacific Region. Washington, D.C. 22 January (revised April 2014).
- World Bank (2013d). Botswana Social Protection Assessment. 86009. Gaborone: World Bank, Human Development Department, Social Protection Unit, Africa Region; and Botswana Institute for Development Policy Analysis. December.
- World Bank (2013e). *Global Monitoring Report 2013: Rural-Urban Dynamics and the Millennium Development Goals*. Washington, D.C.
- World Bank (2014a). *Africa's Pulse*, vol. 10 (October). Washington, D.C.
- World Bank (2014b). Improving basic services for the bottom forty percent: results of the poverty and social impact assessment of decentralized basic service delivery in Ethiopia. Report No. 84215-ET Washington, D.C.: World Bank, Social Protection Sector, Country Department AFCE3, Africa Region.
- World Bank (2014c). Pay flexibility and government performance. a multicountry study. Washington, D.C. June.

- World Bank (2015a). *Global Economic Prospects: Having Fiscal Space and Using It*. Washington, D.C. January. Available from [http://www.worldbank.org/content/dam/Worldbank/GEP/GEP2015a/pdfs/GEP15a\\_web\\_full.pdf](http://www.worldbank.org/content/dam/Worldbank/GEP/GEP2015a/pdfs/GEP15a_web_full.pdf).
- World Bank (2015b). *Global Monitoring Report 2014/2015: Ending Poverty and Sharing Prosperity*. Washington, D.C.
- World Bank (2015c). Migration and remittances: recent developments and outlook. Migration and Development Brief 24. Washington, D.C. April.
- World Bank (2015d). *Women, Business and the Law 2016: Getting to Equal*. Washington, D.C.
- World Health Organization (2008). *The Global Burden of Disease: 2004 Update*. Geneva.
- World Health Organization (2011). *Weekly Iron and Folic Acid Supplementation Programmes for Women of Reproductive Age: An Analysis of Best Programme Practice*. Geneva.
- World Health Organization (2012). Newborns: reducing mortality. Fact sheet No. 333. Geneva. May. Available from <http://www.who.int/mediacentre/factsheets/fs333/en/>.
- World Health Organization (2015). Pneumonia. Fact sheet No. 331. Geneva. Updated November. Available from <http://www.who.int/mediacentre/factsheets/fs331/en/>.
- World Health Organization (2013a). *Universal Access to Malaria Diagnostic Testing: An Operational Manual*. Geneva.
- World Health Organization (2013b). WHO informal consultation on fever management in peripheral health care settings: a global review of evidence and practice. Geneva.
- World Health Organization (2014a). *2014 Assessment Report of the Global Vaccine Action Plan*. Geneva.
- World Health Organization (2014b). *World Malaria Report 2014*. Geneva.
- World Health Organization (2014c). *Global Tuberculosis Report 2014*. Geneva.
- World Health Organization and United Nations Children's Fund (2014). *Progress on Drinking Water and Sanitation: 2014 Update*. Geneva: World Health Organization.
- World Health Organization, United Nations Children's Fund and World Bank (2009). *State of the World's Vaccines and Immunization*, 3<sup>rd</sup> ed. Geneva.
- World Health Organization, United Nations Population Fund, United Nations Children's Fund and World Bank (2010). Joint country support. Accelerated implementation of maternal and newborn continuum of care as part of improving reproductive health. Mapping of in-country activities. Geneva.
- Worm, B., and others (2009). Rebuilding global fisheries. *Science*, vol. 325, No. 5940, pp. 578–585.
- Xinhua (2014). China issues key layout on climate change. Available from [http://news.xinhuanet.com/english/china/2014-11/05/c\\_127178450.htm](http://news.xinhuanet.com/english/china/2014-11/05/c_127178450.htm).
- Yang, Dean (2006). International migration, remittances, and household investment: evidence from Philippine migrants' exchange rate shocks. NBER Working Paper No. 12325. Cambridge, Massachusetts: National Bureau of Economic Research.

- Young, Mark, and others (2012). World Health Organization/United Nations Children's Fund Joint Statement on Integrated Community Case Management: An Equity-Focused Strategy to Improve Access to Essential Treatment Services for Children. *American Journal of Tropical Medicine and Hygiene*, vol. 87, Supplement no. 5 (7 November), pp. 6–10.
- Zaman, Iftekhar, Shadhan Kumar Das and Shammi Laila Islam (2011). United Nations Convention against Corruption (UNCAC) Civil Society Review: Bangladesh 2011. Transparency International and the UNCAC Coalition.
- Zamba, Colleen, and Victor Oboh (2013). Effective partnerships for accelerating the Millennium Development Goals (MDGs) at the sub-national level: evidence from the implementation of Nigeria's conditional grant scheme (CGS), UNDP Working Paper No. 1, prepared for the UNDP Global MDG Conference (GMC): Making the MDGs Work, Bogotá, February 2013. New York: United Nations Development Programme.
- Zambia (Republic of), Ministry of Health (2010). National strategic health plan 2011–2015. Lusaka.
- Zepeda, E., and others (2013). Employing India: guaranteeing jobs for the rural poor. Washington, D.C. and New York: Carnegie Endowment for International Peace and United Nations Development Programme.

