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COMMITTEE FOR DEVELOPMENT POLICY
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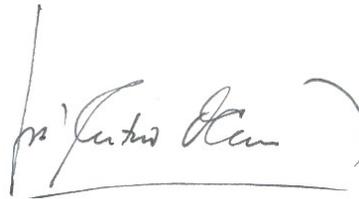
Excellency,

I refer to your letter dated 26 November 2018 whereby you invite the submission of substantive inputs from the Committee for Development Policy (CDP) to the 2019 High-Level Political Forum held under the auspices of ECOSOC. On behalf of the Committee, I hereby submit inputs on the items in the template contained in your letter based on the discussions on the ECOSOC theme – “Empowering people and ensuring inclusiveness and equality” – during the 2019 CDP Plenary meeting (March 11-19) and on the work done by the CDP between 2017 and 2018 on the pledge to leave no one behind and on voluntary national reviews. The CDP’s consolidated text on the ECOSOC theme is currently being prepared and will be contained in the CDP’s report to ECOSOC, to be formally presented to the Council at the forthcoming Management Segment.

I consider the central messages of the chapter dedicated to the ECOSOC theme in the CDP’s 2018 report to be highly pertinent to this year’s theme, and therefore also attach an excerpt of the report.

Please accept, Excellency, the assurances of my highest consideration.

Yours sincerely,



José Antonio Ocampo
Chairperson
Committee for Development Policy

H.E. Ms. Inga Rhonda King
President of ECOSOC
New York

Inputs by the Committee for Development Policy to HLPF 2019

a) **The identification of progress, gaps, areas requiring urgent attention, risks and challenges in achieving the SDGs; and, or in relation to the theme within the area under the purview of your intergovernmental body.**

Well into the implementation period of the 2030 Agenda for Sustainable Development, progress on the SDGs is insufficient. Extreme inequality persists within countries and cities as well as among countries. The dominant model of economic activity based on a limited notion of value and stakeholders and focused on maximizing monetary value for shareholders has produced unacceptable levels of inequality in multiple dimensions. The space for collective bargaining of workers, farmers, indigenous peoples and communities and their capacity to defend their interests continue to contract, and while the benefits of economic activity are increasingly concentrated in a few hands, the economic, social and environmental costs are borne by the most vulnerable. People are being pushed further behind by a variety of forces, including globalization, technological developments, gender discrimination, environmental degradation and climate change. In many cases, policies, legislation and investments fail to take into account negative impacts on other sectors, groups of people and countries, and future generations.

b) **Valuable successful experiences and lessons learned on empowering people and ensuring inclusiveness and equality.**

While countries need to base their strategies on their own characteristics and national objectives, diverse experiences exist in universal social protection, developing productive capacity and pre-, in- and post-market redistribution. The HLPF should encourage countries to share these experiences in their voluntary national reviews.

c) **Emerging issues likely to affect inclusiveness and equality at various levels.**

High rates of economic, social, environmental and procedural inequalities are part of a self-reinforcing system. Unless their root causes are addressed, exclusion and inequality will persist and be aggravated. Conflict, environmental degradation including climate-related risks, the absence of adequate safety nets and of protection of human rights, and exclusion from productive systems are among the factors contributing to the risks of further disempowerment, exclusion and inequality.

Climate change risks in particular are a major factor in the disempowerment of communities through their impacts on livelihoods, public health, access to nutrition, energy, and water, often leading to displacement. It is also disempowering in the additional burden it places on the resources of the poorest governments, further restricting their capacity to move ahead in achieving the SDGs.

This combination of factors not only conflicts with the ideals of social justice, equity and sustainability but also fuels conflict and insecurity.

d) **An assessment of the situation regarding the principle of “ensuring that no one is left behind” at the global, regional and national levels.**

See the answer to item a).

Moreover, in the CDP’s review of the voluntary national reviews presented in 2017 and 2018, the Committee noted that while widely referred to, the concept of leaving no one behind is rarely addressed in substance, with few countries reporting on strategies for its implementation and in particular for the implementation of the commitment to address the furthest behind first. Countries that do so refer mostly to social policies, but fail to show how the concept is being considered in the formulation of macroeconomic and fiscal, industrial and technological policies and other relevant areas.

e) **Areas where political guidance by the high-level political forum is required.**

Central to this year's theme is the relationship between the ambitions reflected in the 2030 Agenda and the international human rights framework. The HLPF must contribute to bridging the divide between the human rights and development communities.

When assessing progress on the SDGs under review, the HLPF should not lose touch with the spirit of each of the SDGs and the 2030 Agenda. For many reasons, targets and/or indicators often do not capture that spirit. Particularly in regard to SDG 10, the choice of indicator focusing on the growth rates of the per capita income of the bottom 40% does not adequately reflect the problem of inequality. The HLPF's review of inequality should consider the multiple dimensions and intersectionality of inequality. It is not enough to address inequality by focusing on those "left behind" at the bottom. It is also necessary to address the concentration of wealth, income and decision-making power at the top and break the link between economic and social exclusion and decision-making power.

The HLPF also needs to provide guidance on the effectiveness of the voluntary national reviews as instruments to advance the implementation of the 2030 Agenda. Effectiveness would be reinforced with greater space both in the review processes at the national and regional levels and at the HLPF for the views of non-state actors.

The HLPF is an important forum within which to identify and propose solutions to challenges within the multilateral system to the empowerment of governments, for instance through limitations in the ability to mobilize resources and enact policies.

f) Policy recommendations on ways to accelerate progress in empowering people, ensuring inclusiveness and equality, and achieving SDGs.

Addressing world inequality requires overturning development models and processes that disempower people and communities, exclude the most vulnerable, and concentrate wealth and power. This requires the redesign of the relationship between public and private spheres and the orientation of policies, regulations and institutions based on a comprehensive vision of stakeholders, thus redirecting economic, social, environmental and technological trends, including production and consumption patterns, towards greater inclusiveness.

Inclusion in the productive system is fundamental. However it must not be in underpaid, exploitative and vulnerable conditions. Productive systems should be based on an engagement of all stakeholders in the creation, management and sharing of value. Universal social policies, safeguards, accountability mechanisms and effective access to justice must be in place to ensure the empowerment of people and communities to defend their interests.

Achieving the SDGs calls for an immediate change in course where the pledge to leave no one behind is fulfilled on the basis of internationally agreed principles and standards of human rights; elements of multilateral system that are holding back implementation are addressed; there is concerted action to improve upon the mobilization of national and international financing to achieve the goals; resources and capacities for SDG implementation are effectively channeled to the local level; additional resources are invested in strengthening the capacity of national statistical offices (NSOs) to develop their national data for SDG monitoring; there is broad and meaningful participation in decision-making for implementation of the SDGs at all levels, as well as in the mechanisms for review of SDG progress and for accountability, in line with the innovative processes for consultation and participation that were introduced in elaborating the 2030 Agenda and the SDGs.

Please see also the attached excerpt on leaving no one behind of the CDP's 2018 report and in particular the policy recommendations contained in chapter 1.

“LEAVING NO ONE BEHIND”: EXCERPT OF THE REPORT OF THE COMMITTEE FOR DEVELOPMENT POLICY ON ITS TWENTIETH SESSION (12-16 MARCH 2018)

The full report (E/2018/33) is available at <http://undocs.org/en/E/2018/33>

SUMMARY

The Committee for Development Policy addressed multiple dimensions of the pledge to leave no one behind, contained in the 2030 Agenda for Sustainable Development.

Current trends identified by the Committee do not point to a degree or speed of advance compatible with the time frame of the 2030 Agenda in some of the fundamental elements that are key to leaving no one behind, including the trends in poverty (particularly in rural areas and low-income countries in sub-Saharan Africa), education, housing and others. Demographic imbalances, including rapid population growth in certain countries, particularly low-income countries; declining fertility rates and ageing populations in others; and the large share of young people in internal and international migration generate additional challenges to meeting the pledge to leave no one behind. Extreme inequality persists within countries and cities as well as among countries. In many different contexts, people are being pushed further behind by a variety of forces, including globalization, technological developments, gender discrimination, climate change and other forms of environmental degradation that lead to loss of access to land, livelihoods and jobs. In many cases, policies, legislation and investments fail to take into account negative impacts on other sectors, groups of people and countries, and future generations. Many countries, in particular the least developed countries, still lack the productive capacity necessary to set them on a path towards sustainable development. Economic growth does not necessarily lead to the reduction of inequality, poverty and deprivation, nor to the creation of decent jobs. Many economies have undergone a process of re-primarization in recent years, rather than one of structural transformation towards higher value-added sectors.

The experiences of certain countries show that it is possible to make significant advances towards leaving no one behind in relatively short periods of time, but a generalized shift towards development that leaves no one behind requires the transformation of deeply rooted systems — economic and political systems, governance structures and business models — that are often based on unequal distributions of wealth and of decision-making power. It is not enough to address inequality by focusing on those “left behind” at the bottom. It is also necessary to address the concentration of wealth, income and decision-making power at the top and break the link between economic and social exclusion and decision-making power.

The pledge to leave no one behind is seldom disputed in principle, but the complexity of its practical implementation is often insufficiently acknowledged. Trade-offs in the path towards the achievement of leaving no one behind must be understood and addressed. Furthermore, the policy choices most effective in leaving no one behind may not be those targeting specific groups but a combination of macroeconomic and fiscal policies conducive to equitable, sustainable growth; productive capacity development; mechanisms that empower and actively encourage the participation of all in relevant decision-making processes and ensure the respect, protection and fulfilment of human rights; and transformative social policies that combine universal and targeted actions, as well as pre-market, in-market, and post-market redistribution. It is important to take into account, in the implementation of technological innovation policies, that while technology has great potential to advance inclusive development it can also be at the root of national and international exclusion and inequality.

To leave no country behind, international action must be coherent and support, rather than hinder, countries’ capacity to enact and finance their development strategies, and enable, rather than block, channels through which global wealth can be redistributed. Global rules need to promote an equitable distribution of income and development opportunities at the international level, taking effective action on international cooperation on tax, cross-border financial flows, migration and remittances, debt relief and trade; and shifting development cooperation to a more comprehensive and representative framework that integrates new and traditional providers, in which governance is representative of both donors and recipients. Least developed countries should be prioritized in all the above-mentioned areas.

CHAPTER I MATTERS CALLING FOR THE ATTENTION OF THE ECONOMIC AND SOCIAL COUNCIL OR BROUGHT TO ITS ATTENTION

B. Matters brought to the attention of the Council**Leaving no one behind**

4. The Committee recommends that the United Nations System entities and Member states embed the concept of leaving no one behind in their strategic frameworks and translate that concept into action, not only by targeting specific groups that are excluded from decision-making power and the benefits of development, but also by safeguarding the interests of those groups by not pushing them further behind through measures that deprive them of their rights and livelihoods, and by the following:

- (a) Ensuring that macroeconomic and fiscal instruments work towards equitable, sustainable growth, job creation and the reduction of poverty and inequalities, including extreme concentration of wealth;
- (b) Implementing mechanisms that empower and actively encourage the participation of all in relevant decision-making processes, including in environmental matters, and ensure the respect, protection and fulfilment of human rights;
- (c) Building productive capacity through integrated policies, including industrial policies, rural development policies and the development of human assets in support of inclusive development;
- (d) Taking into account, in the implementation of technological innovation policies, that while technology has great potential to advance inclusive development it can also be at the root of national and international exclusion and inequality;
- (e) Implementing transformative social policies that combine basic universal frameworks with targeted actions, as well as pre-market, in-market and post-market redistribution;
- (f) Taking effective action on international cooperation on tax, cross-border financial flows, migration and remittances, debt relief and trade;
- (g) Shifting development cooperation to a more comprehensive and representative framework integrating new and traditional providers, in which governance is representative of both donors and recipients;
- (h) Prioritizing support to least developed countries in all the above-mentioned areas.

5. The Committee reiterates the recommendations it made in 2016 for the Council to call upon the Governments of least developed countries to design and implement strategies that aim to accelerate economic growth and promote dynamic transformation of their economies, pointing out the need to address potential trade-offs and harness synergies between increasing productive capacity and other sustainable development objectives; and to request the international community to strengthen support measures in favour of least developed countries.

6. The Committee encourages Governments and other stakeholders taking part in the voluntary national reviews to share best practices in the domain of leaving no one behind and approaches to identifying multisectoral, distributional and intertemporal trade-offs. It also encourages Governments and other stakeholders to consider the impact of their policies on global inequality.

CHAPTER II LEAVING NO ONE BEHIND

22. One of the pillars of the 2030 Agenda for Sustainable Development and the Sustainable Development Goals, and one which represents a critical improvement over the Millennium Development Goals, is the pledge to leave no one behind. As part of its contribution to the 2018 theme of the Council, "From global to local: supporting sustainable and resilient societies in urban and rural communities", the Committee addressed multiple dimensions of the pledge, which it considers central to any discussion on sustainability and resilience.

Generalized achievement of key goals by 2030 not indicated

23. Current trends identified by the Committee do not point to a degree or speed of advance compatible with the time frame of the 2030 Agenda in some of the fundamental elements that are key to leaving no one behind. Even under optimistic assumptions about economic growth and other relevant variables, the goal of eliminating poverty, a central element of leaving no one behind, is unlikely to be fulfilled. Estimates indicate that numerous countries are not expected to meet Goal 1 of the Sustainable Development Goals. The outlook is particularly challenging for the countries in sub-Saharan Africa where both income levels and growth rates are low and where food price shocks and high fertility rates impose additional pressures. In addition, the world population living in slums is on the rise. In several countries, and despite advances in recent decades, over

half the working-age population has received only a primary education or has no formal education. Demographic imbalances in both poor and rich countries generate additional challenges to meet social, environmental and economic goals. Poverty in rural areas remains high, and despite the recognition of the importance of agricultural and rural development, many countries are not taking advantage of the opportunities of inclusive rural development. In a significant share of the least developed countries, economic vulnerability has risen rather than declined in recent years.

24. Not only are people and countries being left behind, but in many different contexts they are being pushed further behind by a variety of forces, including globalization, technological developments, climate change and other forms of environmental degradation that all lead to loss of access to land, livelihoods and jobs. In many cases, policies, legislation and investments directed at meeting certain development goals fail to take into account negative impacts on other sectors, groups of people and countries as well as on future generations.

25. Many countries, in particular least developed countries, still lack the productive capacity necessary to bring them on a path towards sustainable development. Economic growth does not necessarily lead to a reduction of inequality, poverty and deprivation, nor to the creation of decent jobs. Many economies have undergone a process of re-primarization in recent years, rather than one of structural transformation towards higher value-added sectors.

Inequality: at the heart of resistance to change

26. Despite the discouraging trends, the experiences of certain countries with industrial development, the improvement of education levels, reproductive health, and the reduction of inequalities show that it is possible to make significant advances in relatively short periods of time. There are also positive experiences in avoiding people being pushed behind, such as programmes addressing the impacts of technological and industrial changes on employment through public-private partnerships.

27. Nevertheless, leaving no one behind requires making such experiences the rule rather than the exception, which in turn requires the transformation of deeply rooted systems — economic and political systems, governance structures and business models at all levels, from local to global — that are often based on unequal distributions of wealth and decision-making power.

28. Extreme inequality persists in multiple dimensions within countries and between countries and it often translates into inequality in decision-making. Segments of the population that are typically excluded from meaningful participation in decision-making — those already left behind in material well-being, education, health and other factors, those that are geographically isolated and future generations — are unlikely to see their interests safeguarded in policy and investment decisions, as is the case for countries that are marginalized in international decision-making structures.

29. Where changes represent a threat or perceived threat to the established interests of the most influential groups, there is likely to be resistance. Thus, it is not enough to address inequality by focusing on those “left behind” at the bottom. It is also necessary to address the concentration of wealth, income and decision-making power at the top.

30. Resistance to change is all the more likely in highly unequal societies, where the most influential groups are able to protect themselves through institutional capture and private solutions, from the costs and risks associated with inaction. For example, to the extent that those with greater economic and political power can exclude themselves from the costs of environmental degradation while reaping the benefits, there is no incentive to fundamentally change unsustainable consumption and production practices. The concentration of toxic waste disposal sites in poor areas; the illegal transboundary shipment of hazardous wastes; and the fact that the burden of climate change falls disproportionately on those countries that have historically contributed the least to the problem and have the least resilience are all examples of the dissociation between costs and benefits that is possible as a result of inequality. Similarly, there is little incentive to allocate resources to investments in building the resilience of low-income communities to extreme weather events if the most influential groups have access to high-quality and safe housing infrastructure in the less vulnerable areas of cities and the poor have no voice in the determination of resource allocation. While political and physical barriers can be erected between poor and rich people and countries, incentives for the latter to meaningfully support the former are scarce. Reactions to migratory flows towards rich countries, for instance, have leaned towards the further strengthening of barriers rather than to a concerted effort to address their root causes.

31. To leave no one behind, it is not enough to address the problems of those at the bottom; it is also necessary to address extreme intra- and international inequalities and the concentration of income, wealth and political power. It requires breaking the link between economic and social exclusion and decision-making power, including by ensuring the respect, protection and fulfilment of human rights. Institutions need to be reoriented so that policy is driven from the bottom up by the needs of those who are deprived and disadvantaged. Governments need not only to remove barriers to political and civic participation but also

to actively ensure that they are accountable to all citizens both through formal processes — such as free and fair elections that are not captured by economic interests — and through other accountability mechanisms such as a free press, access to information, meaningful multi-stakeholder participation instances at all levels of policymaking and access to justice.

The need to consider trade-offs, distributional effects and short- and long term consequences

32. The pledge to leave no one behind is seldom disputed in principle, but the complexity of its practical implementation is often insufficiently acknowledged. While in the long run many goals and concepts contained in the 2030 Agenda converge, trade-offs in the path towards their achievement must be understood and addressed.

33. The pledge to leave no one behind is grounded in strong philosophical and economic arguments. The policy choices most effective in leaving no one behind are not necessarily those routinely associated with that goal. The best results may come not from targeting specific groups but from macroeconomic and fiscal policies and from the establishment of universal programmes that do not express any explicit priority towards any particular group, such as effectively universal (as opposed to stratified) social protection, public schools, public health care, universal childcare and elder care, with targeted policies playing only a subsidiary role. Policies for poverty eradication that focus on the poverty headcount as opposed, for example, to the poverty gap can potentially favour those already just below the poverty line to the detriment of those worse off.

International action to enable global wealth redistribution and support countries' capacity to enact and finance their development strategies

34. To leave no country behind and ensure sustainability and resilience, international action must be coherent. It should support rather than hinder countries' capacity to enact and finance their development strategies, and enable rather than block channels through which global wealth can be redistributed. If the pledge to leave no one behind is to be made effective, global rules need to promote a fair distribution of income and development opportunities at the international level, so as to ensure that countries have the capacities and resources required for implementing their strategies. Necessary, though by no means sufficient, conditions are that countries have the ability to build sound, efficient and redistributive tax systems and the policy space to define and implement their own social and economic policies in accordance with social preferences and the priorities of their populations. The insufficiency of tax cooperation at the international level, unregulated global finance, unfair trade rules, intellectual property rights regimes that are skewed against the interests of the poor and the absence of a mechanism for an orderly, timely and fair procedure for sovereign debt crisis resolution currently stand in the way of that ability.

35. The deep inequalities that persist among countries are not sustainable. Given the extremely limited fiscal capacity in the poorest countries, it is not enough to rely on measures that will merely remove obstacles to domestic action. In the absence of convergence in global incomes, the international community must take full advantage of all channels that enable income and wealth to flow to the poorest countries in a way that benefits all. They include trading regimes based on fair and equitable terms particularly for the poorest countries; the harnessing rather than the obstruction of the benefits of migratory flows, remittances and diaspora engagement; and the prevention of illicit financial flows, including those associated with natural resource exploitation.

36. While official development assistance (ODA) is crucial in the path towards leaving no country behind and donors must fulfil their commitments in this field, development cooperation needs to shift to a more comprehensive and representative framework. Development cooperation should be an inclusive system that belongs to all countries (new and traditional providers, recipients and countries that are both) and that incentivizes collective action towards ensuring that no one is left behind. Beyond the important goal of fighting poverty, development cooperation policies should also contribute to guaranteeing minimum social standards for all people, reducing international inequality and providing international public goods.

37. Finally, there needs to be coherence between development cooperation and other policies with international impact. Development cooperation nominally directed at sustainability will be ineffective if climate change continues to threaten countries' and peoples' livelihoods, food security, economies, and lives; if limits to countries' policy space constrain their capacity to work towards productive development; and if inadequate regulation of cross-border financial flows continues to drain their economies. Development cooperation efforts to address leaving no one behind need to be conceived as overall strategies, on the basis of country needs, rather than narrowly targeted and isolated interventions.