



SUMMARY

Save the Children promotes a holistic post-2015 development agenda that has poverty eradication at its core and is guided by universal, equitable and human rights-based approaches to sustainable development. This briefing highlights key recommendations on global partnerships for achieving sustainable development, means of implementation, needs of countries in special situations, human rights, the right to development and global governance, which are priority issues for Save the Children. The following recommendations are based on the 10-goal framework proposed in our *Ending Poverty In Our Generation* report.

GLOBAL PARTNERSHIPS FOR ACHIEVING SUSTAINABLE DEVELOPMENT

Proposed goals and targets for a global partnership for development:

| Goal | Targets |
|---|---|
| By 2030 we will have robust global partnerships for more and effective use of financial resources | 1. Increased and more effective use of resources for development |
| | 2. International transparency to support domestic resource mobilization |
| | 3. Establish and enforce intellectual property rights that work for development |

1. Financing for Sustainable Development

While much development is about action within developing countries, there are also crucial ways in which the global community can contribute to positive development outcomes, including through financing for development. Low-income countries, by definition, are working with an income of less than about \$1,000 per person per year, which generates massive challenges of a type largely forgotten in developed countries.

Despite increases in aid, in other ways, richer countries have not played their part. International finance for development is no longer solely about developed countries giving aid to developing countries and increasingly, other types of financial flows are gaining importance.¹ If we are to make a new global partnership more sustainable and accountable than MDG 8, we must consider diverse means of financing the goals of a future framework as well as how such financing will be tracked and monitored.

A post-2015 sustainable development framework must be underpinned by a robust financing plan, with detailed financing strategies developed in every country context. National financing plans should identify potential sources of funding for planned, costed progress on each goal; these are likely to include a mix of taxation, stable foreign and domestic private investment, private philanthropic flows and ODA. As well as identifying finance sources, the strategy should consider the equitable distribution of those resources and other proposed policy changes to support the strategy, such as an inclusive growth strategy or a proposed strengthening of transfer pricing rules and enhancing transparency and accountability of development expenditure to citizens by moving towards more open, accountable and inclusive governance.

The continued importance of ODA

At its best, aid comprises finance specifically targeted at improving human development outcomes. Developed countries committed in the 1970s to give 0.7% of their gross national income as official development assistance (ODA). While a handful of countries have passed this target and a handful of others are on track to reach it soon, it is worrisome that

¹ A recent EURODAD paper provides a useful summary of all the financial resources potentially available for development, examines their key characteristics, and discusses their poverty and sustainable development impacts, and the implications for aid: http://eurodad.org/files/integration/2013/03/2013_AW-Briefing-paper_Global-financial-flows-aid-and-development1.pdf

many developed countries have not followed through on their commitment to reach 0.7%.² It is vital that they do so as an urgent priority. In certain contexts, aid for human development is crucial, making up a quarter of the education budget in some low-income countries for example.³

The quality of aid is as important as its quantity. Ensuring quality is vital for making the most of the resources available. If all countries, and other donors, provided aid transparently, the gains in efficiency would be equivalent to an additional US\$3 billion. Further, untying aid can increase its value by 15–30%.⁴

Foreign Direct Investment (FDI) and the role of the private sector

The potential impact of private sector investment in developing countries is increasing dramatically, and dwarfs in volume all other forms of economic engagement with developing countries. The rise in inward foreign direct investment to developing countries is well documented, increasing from US\$3.8 billion in 1970 to US\$684 billion in 2011.⁵ The fact that foreign direct investment accounts for approximately 10% of total investment (gross fixed capital formation) in middle and low-income countries over the last decade⁶ indicates the significance of domestic private sector investment – something that has often been overlooked in discussions of the role of business in development. In light of this reality and the growing impact of business on the delivery of development objectives, the engagement of the private sector in the conception and implementation of the post-2015 development framework is critical to its success.

The private sector, which comprises a huge range of domestic and multinational businesses, has an important contribution to make in the delivery of the next human development agenda. These include: stimulating inclusive growth and creating decent jobs; enhancing access to essential services; developing innovations to address human and sustainable development challenges; paying its fair share of taxes; providing expertise and resources to improve the lives of those most in need; and reducing its environmental footprint.

Three steps that businesses can take to ensure a more positive development impact, as partners in the delivery of the post-2015 development agenda, are:

- i. Ensuring all firms apply a ‘do no harm’ approach to their core business (through evaluating and disclosing social impacts of their products, such as breast milk substitutes); to practices (such as labour standards or tax strategies); and to indirect impacts (such as their environmental footprint);
- ii. Shaping core business strategies to contribute to development goals; and
- iii. Advocating for change at the national and global level.

While multi-stakeholder partnerships can make a huge impact, they must be sufficiently vetted and legitimate, be in the best interests of the poorest communities, and be sustainable.

Taxation and domestic revenue raising

In all countries, the bedrock of finance for development is taxation. Taxes are the largest, most sustainable and predictable source of finance for developing countries.⁷ Indeed, at the recent G8 Summit in June 2013 leaders recognized taxation as critical to effective, capable states and “essential to fairness and prosperity for all.”⁸ The importance of effective taxation is captured eloquently in the slogan of the Kenyan revenue authority; “Pay Your Taxes, and Set Your Country Free.” In spite of the recognition of the importance of taxation however, low-income countries currently collect an average of only 13% of their GDP in tax revenues, compared to 35% in OECD countries.⁹

² Aid Watch (2012) *Aid We Can: Invest more in global development*, Concord: Brussels

³ Save the Children and Overseas Development Institute (2012), *Progress in Child Well-Being: Building on what works*.

⁴ Save the Children: (2013) *Ending Poverty In Our Generation*, p. 22.

⁵ UNCTAD, *Inward and Outward Foreign Direct Investment Flows (1970-2010)*. <http://unctadstat.unctad.org/TableViewer/tableView.aspx?ReportId=88> [Accessed 18/03/13]

⁶ ChartsBin website, based on UNCTAD World Investment Report, 26 July 2011. <http://chartsbin.com/view/2272> [Accessed 28/02/13]

⁷ See for example: African Development Bank, OECD & UNECA, 2010: *African Economic Outlook 2010*.

⁸ Lough Erne G8 Leader’s Communique

⁹ House of Commons, International Development Committee, *Tax in Developing Countries: Increasing resources for development*, fourth report of session 2012–13, 16 July 2012, p. 5.

Increasing domestic resource mobilisation has a multitude of benefits.¹⁰ It raises public revenue, helps generate a sense of citizenship and makes governments more accountable to their citizens so that revenues are likely to be better spent. If tax is raised progressively, it can tackle inequality directly. And a clampdown on tax evasion and avoidance helps to foster a sense of fairness, equality and good governance among citizens. The converse is also true - a loss of tax revenue and the associated services that are funded through taxation can weaken the confidence and trust citizens have in governments.

Countries should commit in the post-2015 development agenda to raise their tax-to-GDP ratio and must be supported with capacity building from development partners, including international financial institutions, to mobilise these additional revenues. Critically, revenue mobilisation must be pursued with equity as well as efficiency and the global partnership must support progressive taxation policies that tackle inequalities while mobilising revenues.

2. International transparency to support sustainable development

Taxation and global governance

While aid may be perceived as the most obvious type of finance for development by people living in rich countries, those same countries bear a large responsibility for the weaknesses of the international system that allows tax dodging and grand corruption. One estimate puts the potential benefit of challenging international tax abuse at a reduction in under-five mortality of 1,000 per day.¹¹ Forthcoming Save the Children research in 2014 will demonstrate the role that taxation, and curbing illicit financial flows, must play in order to reach goals on several important development issues including child mortality, stunting, primary education, and universal access to water and sanitation.

This is not only a matter of good global governance, it also presents a financial opportunity, as better regulation of financial secrecy has the potential to dramatically increase the resources available for development. The OECD estimates that developing countries lose three times more to tax havens than they receive in aid each year. ***An international transparency commitment*** – in which countries provide information to each other about their citizens' bank accounts, companies or other investments – would shine a powerful spotlight on illicit financial flows, and could encourage curbing the tax losses that are estimated to exceed aid receipts.

International aid transparency

Transparency is central to accountability and aid delivery. The number of organisations and donors publishing their aid data transparently and to a common standard has increased substantially to 187 since 2011.¹² All aid donors should release data to International Aid Transparency Initiative standards to better support sustainable development. The Global Partnership on Effective Development Cooperation (GPEDC) should be supported to continue the work on improving aid transparency and effectiveness, including that of South-South and triangular co-operation.

Data availability

A global partnership for improvements in the quality, availability and accessibility of data is urgently required to track progress towards post-2015 targets, support evidence-based policy making, and ensure that the poorest and most marginalized are being reached. Data that is currently available to measure different dimensions of poverty is woefully patchy, irregularly collected and often unreliable.¹³ Data must be collected under the post-2015 framework that is comparable across countries and based on common indicators, data collection standards and methodological approach. Improvements must be made in the coverage, quality, and regularity of data collection, as well as in the transparency and accessibility of data to citizens to enable them to hold leaders to account. Focus must be placed on data that can meaningfully assess progress in human wellbeing and on human development outcomes (e.g. learning outcomes in addition to school enrolment). Efforts should be focused on building statistical capacity at the national level whilst ensuring coordination and comparability at the international level.

¹⁰ See discussion under 'Tax systems' in Cobham, A (2012) 'Tax havens and illicit flows', pp.337–372 in Reuter, P (ed.) (2012) *Draining Development? Controlling flows of illicit funds from developing countries*, World Bank: Washington, DC

¹¹ Christian Aid (2008) *Death and Taxes: The true toll of tax dodging*, London: Christian Aid, <http://www.christianaid.org.uk/images/deathandtaxes.pdf>

¹² <http://www.bond.org.uk/data/files/4th-GPEDC-SC-meeting-UK-NGO-paper-10.13.pdf>

¹³ See UN (2013) *Statistics and indicators for the post-2015 development agenda* New York: UN System Task Team on the Post-2015 UN Development Agenda

Data must be disaggregated in order to track differential rates of progress between women and girls in comparison with men and boys, and between relatively advantaged and disadvantaged ethnic, religious, rural/urban, regional, age and disability groups. Metrics must capture imbalances in power and opportunity that exist within households as well as in the public realm.

There is an urgent need for action in this area; ensuring that baselines are established and systems are up and running in time will require substantial investment, institutional reform and capacity building.

3. Science and technology, knowledge-sharing and capacity building as means of implementation

Financing is, of course, not the only global resource for a shared partnership for development; others include inventiveness and technology. Trade agreements should maximise resources available for development, by facilitating a balance between the need to share know-how on crucial innovations underpinning development – such as information technology, nutritious products and drugs – and the need of originators to protect their intellectual property. In the health sector, for example, intellectual property rules should be implemented with full flexibility to ensure that low-income countries facing health crises are able to license and procure alternative supplies of essential medicines, without infringing intellectual property rules in developed country markets.

NEEDS OF COUNTRIES IN SPECIAL SITUATIONS

Conflict-affected and fragile (CAF) states are likely to struggle the most to achieve ambitious goals and targets under the post-2015 framework. However, while CAF states are the furthest behind in multidimensional poverty reduction, they are also a group that holds huge potential for dramatic acceleration in rates of progress. Liberia is a case in point, having reduced child mortality rates from 241 deaths per 1000 live births in 1990 to 78 in 2010¹⁴. Twenty CAF states have already met one or more of the MDG targets, with eight having halved extreme income poverty ahead of the 2015 deadline¹⁵.

The post-2015 development framework should provide the foundations for CAF states to be supported through partnership and development approaches that meet their particular needs, and that tackle the root causes of fragility. The framework should build on the 2011 Peacebuilding and Statebuilding Goals that were agreed in 2011 as part of the New Deal for Engagement in Fragile States¹⁶. These recognise the need for focus on the political, economic and social foundations that are preconditions for achieving the MDGs, and include fostering legitimate politics, strengthening security, advancing justice, building economic foundations for development and building capacity for accountable revenue management and service delivery. This underscores the importance of including a standalone goal on open, inclusive and transparent governance in the post-2015 framework. As major drivers of conflict and instability, economic, social and political inequalities must also be tackled through targets and indicators to track gaps and differential rates of progress between advantaged and disadvantaged groups.

HUMAN RIGHTS, THE RIGHT TO DEVELOPMENT AND GLOBAL GOVERNANCE

Save the Children's proposed post-2015 development agenda champions universal and equitable development, with human rights as its guiding principle. Human rights principles such as universality, equality and inalienability must underpin the future agenda and unlike the MDGs, these principles must be visible in the goals and targets established.

Although the MDGs are fundamentally concerned with realising people's rights, they are not framed in the language of human rights. This has also attracted comment and some criticism. Most tangibly, the MDG targets to reach one-half or two-thirds of people fall short of many states' pre-existing obligations under human rights conventions including the Convention on the Rights of the Child (CRC) which enjoys near universal ratification. Accordingly, the new framework must reflect everyone's right to a life free from poverty and contain 'zero goals' for human development to capture the human rights principle of universality and to ensure no one is left behind.

¹⁴ Countdown to 2015 (2013) Accountability profile: Liberia. Available at: http://www.countdown2015mnch.org/documents/2013Report/Liberia_Accountability_profile_2013.pdf

¹⁵ World Bank (2013) *Stop conflict, reduce fragility and end poverty: Doing things differently in fragile and conflict affected situations*

¹⁶ The New Deal for Engagement in Fragile States was developed by the International Dialogue for Peacebuilding and Statebuilding, comprised by the G7+ group of fragile states, donors and international institutions. It was presented and widely endorsed at the 4th High Level Forum on Aid Effectiveness in Busan in 2011, and comprises the five Peacebuilding and Statebuilding Goals, and principles for putting countries in the lead of their own pathways out of fragility. For more information see <http://www.newdeal4peace.org/new-deal-snapshot/>

Save the Children’s post-2015 development agenda includes a number of specific human rights that were neglected in the MDGs under proposed goals on child protection and more open, accountable and inclusive governance.

Child protection

Every child has the human right to freedom from all forms of violence, whether perpetrated by public officials or private individuals. Nevertheless, for millions of children, abuse, neglect, exploitation and violence takes place on a daily basis – at home, at school, in institutions, at work and in the community. The root causes of violence against children are very similar across countries, culture, traditions and level of income. These include social acceptance of some forms of violence (such as harmful traditional practices and corporal punishment), discrimination (based on gender, disability, sexual identity, ethnicity, religion etc) and power relationship between gender and ages.

Proposed goals and targets to ensure the protection of children:

| Goal | Targets |
|--|---|
| By 2030 we will ensure all children live a life free from all forms of violence, are protected in conflict and thrive in a safe family environment | 1. End the child deaths from armed conflict; halve the number of non-conflict violent deaths of children |
| | 2. Halve the number of children who are subject to sexual violence and abuse of any form |
| | 3. Halve the number of children subjected to violent discipline at home |
| | 4. Halve the number of children unnecessarily living outside family care (including children affected by emergencies) |

The full scale of violence and abuse of children is unknown, as much of it goes unreported. But the figures below give an indication of the enormous magnitude of the situation – a crisis of child protection that is different in nature but not in fundamentals between the developed and developing world. Global statistics on violence against children include:

- Between 500 million and 1.5 billion children experience violence annually¹⁷.
- About 20 % of women and 5-10 % of men suffered sexual abuse as children¹⁸.
- 3 out of every 4 children experience violent discipline at home¹⁹.
- 85 million children -55 million boys and 30 million girls - are involved in the worst forms of child labour²⁰.
- 3 million girls and women in Sub-Saharan Africa, Egypt and Sudan suffer female genital mutilation every year²¹.
- Over 2 million children around the world live in care institutions²². At least 80% of these have one or both parents who are alive²³.
- Just over 1 billion children live in countries or territories affected by armed conflict²⁴.
- Around the world, thousands of boys and girls are recruited into government armed forces and rebel groups to serve as combatants, cooks, porters, messengers or in other roles²⁵.

Open, accountable and inclusive governance

A system of open, accountable and inclusive governance where information about policy-making and budgeting is available to the public in a timely and accessible format, where the public has the freedom and power to engage in policy-

¹⁷ United Nations Children’s Fund, ‘Monitoring Progress on Major Conventions, Declarations and Plans for Children’ and ‘UNSG Study on Violence against Children: What are the limitations of the existing data and how can they be improved?’, UNICEF, New York, October 2006 (internal documents) quoted in UNICEF, Progress for Children, A Report Card on Child Protection, September 2009, p. 7

¹⁸ WHO Fact sheet, *Child abuse and neglect*, 2002, http://www.who.int/violence_injury_prevention/violence/world_report/factsheets/en/childabusefacts.pdf

¹⁹ Estimates based on data from 33 low and middle-income countries, covering around 10% of the world’s population. UNICEF, *Child Protection from Violence, Exploitation and Abuse, A statistical snapshot*, June 2011.

²⁰ The worst forms of child labour, including slavery; prostitution and pornography; illicit activities; and work likely to harm children’s health, safety or morals, as defined in ILO Convention No. 182. International Labour Organization (2013), *Making Progress against child labour, Global estimated and trends, 2000-2012*, p. 6

²¹ United Nations (2006) Report of the Independent Expert for the United Nations *Study on Violence against Children*, A/61/299

²² UNICEF, Progress for Children, A Report Card on Child Protection, September 2008, p. 19

²³ Save the Children (2009) *Keeping Children Out of Harmful Institutions*, pp. 3, 5

²⁴ UNICEF (2007) *Machel Study 10-year strategic review*, p. 19

²⁵ www.unicef.org/protection/57929_58007.html (Accessed on 15 August 2012)

making and budgeting processes and where governments are held accountable for the effective and equitable provision of public goods is essential to meet the needs of children in a sustainable way.

Proposed goals and targets on governance

| Goal | Targets |
|---|---|
| By 2030 governance will be more open, accountable and inclusive | 1. Ensure all countries have transparent governance, with open budgeting, freedom of information and holistic corporate reporting |
| | 2. Ensure all countries have participatory governance, with greater freedom of speech, press and political choice |
| | 3. Ensure all countries have accountable governance, with commitment to the rule of law, more equitable and effective public services, and reduced corruption |

The importance of these issues is evidenced by the UNDG consultations involving more than a million people around the world, which found that one of the three top priorities for citizens was “an honest and responsive government.” Further, Rio+20 affirms that effective governance at local, sub-national, national, regional and global levels representing the voices and interests of all is critical for advancing sustainable development.

Recent research from Save the Children also shows that certain dimension of poverty could be eradicated by 2030 if governments address income inequality and improve governance. For example, improvements in access to and utilization of services and opportunities that could be brought about by reducing inequality and improving voice and accountability could save 1.8 million lives, and bring global average mortality down to around 20 deaths per 1.000 live births.²⁶

All countries – from the most fragile and conflict-affected to those with the most long-standing traditions of democracy – can make improvements in measures of transparency, participation and accountability. To recognise the importance of open governments in and of itself and also for sustainable reductions in absolute poverty, several facets of open, accountable and inclusive governance should be included in the post-2015 framework.

Global governance

The MDG framework lacks a robust, effective accountability mechanism, making it difficult to ensure the fulfillment of commitments in a transparent way. This in turn has meant that progress is inconsistent. For countries where there is strong political will, resources are put in place to ensure implementation, but countries that lack it are not adequately held to account.

To improve the incentive to implement the post-2015 development framework, it needs to be accompanied by a formal global accountability and reporting mechanism, which provides a channel for accountability at local, national and global levels. This mechanism will likely be through the High Level Political Forum (HLPF). It will be critical to the success of the HLPF that accountability is facilitated not just between governments, but between citizens and their governments at local and national level, and other development partners, including the private sector.

It would also be important that this global accountability and reporting mechanism is drawing lessons from and operating in synergy with existing accountability mechanisms. These include the UN Human Rights Council mechanisms such as the Universal Periodic Review (UPR) - where the human rights records of all UN Member States are peer-reviewed - special procedures and working groups; and the UN treaty bodies mandated to oversee implementation of the UN human rights treaties, such as the Committee on the Rights of the Child which oversees the UN Convention on the Rights of the Child and its three Optional Protocols. Regional mechanisms mandated to promote and monitor children’s rights, such as the African Committee of Experts on the Rights and Welfare of the Child, would also be important in this context.

There is a further challenge: accountability is based on information about progress. Data collection systems in many key areas are weak or simply absent in many countries, making it very difficult to assess progress. Access to information to enable more informed public participation and meaningful accountability are inextricably linked, and better data, transparently and timely available, needs to be a high global priority to support accountability.

²⁶ Save the Children (2013), *Getting to Zero – How we can be the generation that ends poverty*