

## MDG SUMMIT HIGHLIGHTS: TUESDAY, 21 SEPTEMBER 2010

The MDG Summit continued on Tuesday with two plenaries and two high-level roundtables on promoting sustainable development and emerging MDG issues, as well as dozens of side and partnership events. IISD-RS was there to report on 12 of these events, including on infrastructure in Africa, corruption, climate vulnerability, LDCs, innovative financing, and the role of trade unions, the highlights of which are presented below.



L-R: Geraldine Fraser-Moleketi, UNDP; Huguette Labelle, Chair, Transparency International; Richard Boucher, Deputy Secretary General, OECD; and Selim Jahan, UNDP

**MDGS AND ANTI-CORRUPTION:** Huguette Labelle, Transparency International, chaired a panel discussion on the costs of corruption. Geraldine Fraser-Moleketi, UNDP, challenged participants to contribute to anti-corruption activities. Stressing that, like poverty, corruption is multi-dimensional, Selim Jahan, UNDP, drew links between corruption and lack of access to essential services for the poor. Explaining that governments spend on average 15-20% of GDP on procurement, Richard Boucher, OECD, said this was a key area in which to address corruption.

Tom Cardamone, Global Financial Integrity, said the most significant form of corruption is mispriced trade, or transfer mispricing, and said illicit flows are increasing by 18% annually. Highlighting that corruption is a “two-way street,” Siphon Moyo, Africa One, provided an example of a British company over-charging the Tanzanian Government for technology.

In the ensuing discussion, participants considered: the “grey zone” between pure corruption and weak institutions; the contribution of late disbursements to problems of corruption; the need to adequately remunerate the public service to avoid corruption; and the potential of the G20 working group on corruption.

Minar Pimple, UN Millennium Campaign, chaired a panel discussion on how fighting corruption benefits the MDGs. John Rwangombwa, Minister of Finance and Economic Planning, Rwanda, discussed protecting the public purse from corruption through instituting adequate legal frameworks, installing capable judiciaries, clear plans for addressing corruption and strong monitoring frameworks.

Providing examples of non-transparent donor activities, Gregory Adams, Oxfam America, stressed that development success is built on the idea of effective governments and active citizens. He exemplified direct budgetary support as a tool for this. Galina Mikhlin-Oliver, World Bank, explained that policies are important, but systems and institutions responsible for implementation are equally important. Emmanuel Nnadozie, UN Economic Commission for Africa, discussed activities in Africa to address corruption, including the AU Convention on Preventing and Combating Corruption and the African Peer Review Mechanism, which deals with political, economic and corporate governance, as well as socio-economic development. He said this mechanism assists in shifting from monitoring to accountability.

In the ensuing discussion, participants considered: methods for addressing corruption within governments; the need for empowering citizens to effectively participate in the accountability process; and the impact of donor community conditionality’s on corruption.

**HIGH LEVEL SIDE EVENT ON LDCS AND MDGS:** Sheikh Hasina, Prime Minister, Bangladesh chaired the session, which included statements by a dozen high-level speakers.

Joseph Deiss, UN General Assembly President, underlined that supporting least developed countries (LDCs) is a necessary element to successful achievement of the MDGs.

UN Secretary-General Ban Ki-moon reported that LDCs remain under constant strain due to global crises and praised them for weathering this storm with limited safety nets. He added that they face the most severe challenges in achieving the MDGs since more than half of their populations live below



the poverty line. He closed by saying that investing in LDCs is a test of global solidarity and that doing so can help promote global economic recovery.

Bhim Bahadur Rawal, Minister for Home Affairs, Nepal, on behalf of the prime minister of Nepal, called for bridging the gap between commitments and action.

Abdullah Gül, President of Turkey, said Turkey is committed to “concrete, feasible and deliverable initiatives” to achieve the MDGs, and announced that Istanbul would host the 4th UN Conference on LDCs in 2011, to which Yves Leterme, Prime Minister of Belgium, pledged 400,000 Euros on behalf of Belgium. Leterme emphasized his hope that the conference would focus on aid allocation effectiveness, and said Belgium strongly advocates an international currency transaction levy (ITLC), which at five cents per US\$ 1,000, could raise US\$ 20-35 billion per year for LDCs.

Arjun Karki, LDC Watch, lamented that many financial commitments to LDCs have not been honored and called for increased development aid effectiveness and the establishment of member state LDC campaigns.

Thongloun Sisoulith, Deputy Prime Minister and Minister of Foreign Affairs, Laos, said MDG targets should be an integral part of the outcome of the upcoming UN LDC conference.

Kevin Rudd, Minister of Foreign Affairs, Australia, calling LDCs a “quarter of our UN family,” announced that Australia will double its overseas development assistance (ODA) for 2012-2015.

A number of participants mentioned the importance of addressing climate change mitigation, adaptation and technology transfer in order to support the LDCs.

**SCALING UP AFRICA’S INFRASTRUCTURE TO REACH THE MDGS:** Jeffrey Sachs, Special Advisor to the UN Secretary-General on the MDGs, moderated the event.

Elham Ibrahim, African Union (AU) Commissioner on Infrastructure and Energy, elaborated on the Programme for Infrastructure Development in Africa, which develops coherent, integrated policies for infrastructure expansion on the continent. She noted that the programme’s objectives include establishing a strategic framework for regional and continental programmes, preparing implementation strategies, and finding and applying innovative financial mechanisms to these.

Abdoulaye Wade, President, Senegal, noted the lack of discussion on infrastructure in international fora addressing African development, stressing that projects must provide quality infrastructure. Obiageli Ezekwesili, World Bank, said thinking around the MDGs is focused on decreasing poverty, but stressed that without infrastructure many efforts to decrease poverty will not have lasting effects. She noted inefficiencies in policy that detract from maximizing infrastructure spending in Africa, and stressed that regional integration can help bridge the infrastructure deficit.

Donald Kibureka, African Development Bank, stressed the need for innovative financing for infrastructure, citing the lack of independent power producers on the continent.

Gu Yang, China Development Bank, said that large-scale infrastructure projects that China wishes to invest in can only be achieved with political commitments to regional integration. Sindiso Ngwenya, Secretary General, Common Market for Eastern and Southern Africa, noted that intellectual property is a hurdle and work is underway to encourage capacity in research and development in the communications sector, and highlighted public-private partnerships as a method for success.

Participants also discussed: increasing “bankable projects” to ensure private sector involvement in African infrastructure; establishing and refining regulatory and tariff frameworks to benefit private investors and impoverished consumers; and the importance of clear policy to ensure power sector reform to encourage private sector investment.

**CLIMATE VULNERABILITY AND ITS IMPACT ON MDGS:** Sheikh Hasina, Prime Minister of Bangladesh, chaired the session. Helen Clark, UNDP, stressed the need to minimize climate vulnerability through investments in disaster risk reduction, for financial support and technology transfer, and for a new international climate deal.

Bhim Bahadur Rawal, Minister for Home Affairs, Nepal, called for transparency and predictability in resource allocation for climate vulnerability. Outlining his country’s energy intensity commitments, Jairam Ramesh, Indian Minister of Environment and Forests, underscored that these were not contingent commitments of international finance and technology support.

WJD Senawirathne, Minister of Public Administration and Home Affairs, Sri Lanka, said his government was developing national climate change policy and adaptation strategies. Daw Penjo, Foreign Secretary, Bhutan, announced that in 2011 his country will host the Eastern Himalaya Summit on Climate Change, which will work towards the adoption of a ten-year roadmap on adaptation for the region.

Patricia Espinosa, Minister of Foreign Affairs, Mexico, and chair of UNFCCC COP 16, to be held in Cancún, Mexico in December 2010, urged governments to advance the climate negotiations in order to agree to an architecture for a post-Kyoto agreement at COP 16. Andrew Mitchell, Secretary of State for International Development, UK, announced an advocacy fund to support low-income country participation in international negotiations.

In the ensuing panel discussion, panelists Apa Sherpa, Goodwill Ambassador for Climate Change, Ajay Chhibber, UNDP, and Andrew Steer, World Bank, offered regional perspectives on climate vulnerability.

**INTERNATIONAL TRADE UNIONS - DECENT WORK AND THE MDGS: KEEPING THE PROMISE:** Jane Stewart, Director, International Labour Organization, commended language in the draft outcome document of the MDG Summit, which states that providing social protection floors and adopting forward-looking, macroeconomic policies that increase productive employment opportunities can help achieve the MDGs.

Sharon Burrow, Secretary General, International Trade Union Confederation (ITUC), stressed the need to ensure that language around decent work remains in the final outcome document, and emphasized ITUC’s commitment to civil society partnerships.

Mira Said, Global Network, lamented that most social security programmes in Palestine provide aid as opposed to building sustainable economic programmes. Explaining that the Ghanaian government provides no protection for informal sector workers, Georgina Opoku Amankwah, ITUC—Africa Women’s Committee, described how Ghana’s Trade Union Congress amended its constitution to allow affiliation of such workers to improve their access to social security systems.

Yonnec Polet, Global Progressive Forum, stressed the role of the Global Job Pact in promoting growth of quality jobs and highlighted the need to advance a financial transactions tax to free new resources for financing development in Europe.

Participants discussed, *inter alia*, decent work and ageing, migration, the green economy and community involvement.

**MDG ACHIEVEMENT FUND:** Helen Clark, UNDP, declared that social justice is an important measure of MDG success, but lamented that MDG initiatives sometimes marginalize sections of society. She lauded the MDG Achievement Fund for its project in Ethiopia “Leave No Woman Behind,” which has improved women’s adult education and reproductive health. José Ramos-Horta, President, Timor-Leste, emphasized the fragility of g7+ states.

Soraya Rodriguez, Spain, remarked that hunger and poverty are not fundamentally due to a lack of resources, but a deprivation of rights, and out of the total proportion of socially excluded groups facing hunger 50% are women, as women are globally the most deprived of human rights.

Naila Kabeer, Institute of Development Studies, presented on the challenge of addressing “intersecting inequalities” through MDGs. She remarked that despite the MDGs being based on values such as freedom, equality, solidarity and tolerance, social exclusion undermines the realization of MDG targets.

During panel discussions, Maria Fernanda Espinosa, Ecuador, said MDGs are a fundamental tool for directing and strengthening social policies. She highlighted the role of Ecuador’s Ministry of Heritage in reversing historically social inequalities. Jagadish Chandra Pokharel, Nepal, reported that Nepal has addressed social injustices through employment generation, investment for growth, inflation containment and improving transparency in governance. Rebeca Grynspan, UNDP, stressed that the next five years should be focused on overcoming poverty by breaking barriers of inequality through the promotion of social cohesion and provision of information for political advocacy. Charles Abugre, UN Millennium Campaign, noted that multinational corporations can worsen poverty among the poorest people while exploiting their resources due to profit-making mechanisms that do not relate to productive investment.

Ashok Bharti, National Conference of Dalit Organisations, India, challenged UN agencies to take up the agenda on social exclusion by creating resources, increasing its representation in MDG efforts and providing leadership capacity. In ensuing discussions, participants noted the exclusion of people living with disabilities and persons infected by HIV/AIDS in MDG initiatives, and debated how to ensure that other already-marginalized groups are not ignored by MDG activities.

**HIGH LEVEL SIDE EVENT ON INNOVATIVE FINANCING FOR THE MDGS:** This side event was hosted by high-level speakers from the Leading Group on Innovative

Financing for Development, an international partnership of 60 member countries, international organizations and representatives of the civil society.

Rania Al Abdullah, Queen of Jordan, introduced the report of the Writing Committee to the Leading Group’s Task Force on Innovative Financing for Education “2+3=8: Innovating in Financing Education.” She said committing innovative financing to achieving MDGs 2 and 3 on education and gender equality can lead to the attainment of all eight MDGs. Stressing that an unrecognized crisis in education is unfolding, she urged innovative financing for this sector.

High-level speakers from the Leading Group, including from France, Japan, Belgium and Norway, introduced mechanisms for innovative financing, including: an international currency transaction levy for development; an international development solidarity tax; and a financial transactions tax.

A panel provided examples of how innovative financing and innovative delivery thereof have funded health initiatives in developing countries. Successes highlighted included the solidarity “tax” on airline tickets in participating countries that have enabled UNITAID to raise US\$1.5 billion since 2007.

A second panel introduced the Report of the Committee of Experts to the Leading Group’s Task Force on International Financial Transactions and Development “Globalizing Solidarity: The Case for Financial Levies,” which finds that a global currency transaction tax is the most appropriate financing mechanism for global public goods.

A final panel, which highlighted new sectors that require innovative financing, emphasized the urgency of investing in education. Panelists noted that financing for, and innovation within, the education sector are stagnating.

Bernard Kouchner, Foreign Minister, France, announced that the Bill and Melinda Gates Foundation and UN Food and Agriculture Organization will join the Leading Group.

**THE CHAMPIONS OF GLOBAL HEALTH:** Festus Mogae, former President of Botswana, chaired this session, which focused on the importance of the Global Fund to fight AIDS, Tuberculosis and Malaria, and of achieving the health-related MDGs.

Ban Ki-moon, UN Secretary-General, underscored the need to support and replenish the Global Fund. He praised progress made during the last decade, but reiterated the need for more work and enhanced support in order to meet health-related MDGs in the remaining timeframe.

Mogae reiterated that, given the magnitude of the health challenges, further efforts are needed to achieve health-related MDGs. He noted, in particular, the contribution of the African Champions of Health Campaign in furthering the achievement of health related MDGs.



L-R: Ángel Gurría, Secretary-General, OECD; Rania Al Abdullah, Queen of Jordan; Bernard Kouchner, Foreign Minister, France; Seiji Maehara, Foreign Minister, Japan; Charles Michel, Minister for Development Cooperation, Belgium; and Andris Piebalgs, European Commissioner for Development



L-R: Nila Moeloek, Special Envoy of the President for MDGs, Indonesia; Kasit Piromya, Minister of Foreign Affairs, Thailand; Haruhiko Kuroda, President, ADB; Noeleen Heyzer, Executive Secretary, ESCAP; and Kiyoshi Kodera, Vice-President, Japan International Cooperation Agency

Bernard Kouchner, Foreign Minister, France, announced a 20% increase in the French contribution to the Global Fund, increasing its total to US\$1.4 billion.

Melinda Gates, The Bill & Melinda Gates Foundation, commended progress on health-related MDGs in the last decade, but lamented the wide ground still to be covered and appealed for increased contributions to the Global Fund.

Tedros Adhanon Ghebreyesus, Minister of Health, Ethiopia, closed the meeting by reiterating that increased resources are a necessary condition for achieving health-related MDGs. He thanked the donors for their contribution and on-going pledges.

**FOCUS GROUP ON MDGS IN ASIA:** Helen Clark, UNDP, stressed the importance of supporting country-led development strategies and focusing on inclusive models of economic growth. Haruhiko Kuroda, Asian Development Bank, highlighted the challenges of attaining MDGs imposed by disasters and floods. Noeleen Heyzer, ESCAP, noted the special needs of LDCs and the role of South-South cooperation in achieving the MDGs.

Seiji Maehara, Minister of Foreign Affairs, Japan, highlighted the importance of economic growth in achieving the MDGs, but stressed the need to reduce disparities between and within countries, and focus more on individuals. Neila Moeloek, Special Envoy to the President of Indonesia for MDGs, reiterated the importance of regional efforts and expertise in supporting capacity building relevant to the MDGs.

Shin Kak-soo, Acting Minister of Foreign Affairs and Trade, Republic of Korea highlighted his country's commitment to increase its aid volume to 0.25% of gross national income by 2015.

Cayetano Paderanga, National Economic Development Authority, the Philippines, reported that his government had set up a public-private partnership office to foster development, and lauded the UNDP and Spain for financial support delivered through the MDG Achievement Fund. Kevin Rudd, Minister for Foreign Affairs, Australia, highlighted a partnership with Indonesia to rebuild schools for over 300,000 students.

Cao Viet Sinh, Deputy Minister of Planning and Investment, Viet Nam, attributed Viet Nam's MDG successes to policy changes through mainstreaming the Goals into national initiatives, as well as increasing bilateral and multilateral partnerships. In the ensuing discussion, many suggestions were made, including: addressing food security through rural agriculture; investing in gender equality; and improving infrastructure, governance and social security.

**ENDING ENERGY POVERTY: TOWARDS UNIVERSAL ACCESS:** Kandeh Yumkella, United Nations Industrial Development Organization (UNIDO), reviewed the UN

Secretary-General's Task Force on Energy Access. He stressed that energy access is imperative to combating poverty, noting the task force's goal for universal energy access by 2030.

UN Secretary-General, Ban Ki-moon, noted that energy access affects the full spectrum of services, including health, education, clean water and sanitation. He said that while the technology is available, more investment and increased technology transfer is needed for universal access, he stressed that the real barrier to universal energy access is the lack of broad-based political commitment to attaining universal energy access.

Meles Zenawi, Prime Minister of Ethiopia, noted that many developing countries could take advantage of greenfield projects for increasing energy generation without concomitant emissions. He noted that much of Ethiopia's electricity supply is from hydropower, emphasized the government's target of zero net emissions by 2025, and outlined plans to increase hydropower generation fivefold by 2025.

Abdoulaye Wade, President of Senegal, highlighted benefits of biofuels for countries with strong agricultural sectors. He noted that opportunities offered by solar energy should be seized, especially as European interest in using African solar power is strong. Heinz Fischer, President of Austria, stressed that attaining universal energy access would ease political tensions over food security, poverty and climate change.

Nobuo Tanaka, Executive Director, International Energy Agency, noted that energy access is central to attaining the MDG targets, highlighting standalone, off grid, energy solutions as solutions to rural energy access. He said many policies are now being implemented to convert traditional household cooking fuels to cleaner alternatives, such as gas. He urged that energy be included in the MDGs or their successors.

Achim Steiner, Executive Director, UNEP, noted that despite promises, partners offering financial assistance have not come forward, and lamented that deadlines are beginning to "haunt us." He noted that Africa is "ready to move forward," citing Ethiopia and Kenya as examples of how policy changes and political commitment can catalyze energy development.

Rajendra Pachauri, Chair, International Panel on Climate Change, underscored the importance of social and cultural dimensions when designing and implementing electrification programmes, emphasizing the importance of local civil society and stakeholder groups in meeting this need.

Gro Harlem Brundtland called for practical solutions to achieving universal energy access.

Mary Robinson, Realizing Rights: the Ethical Globalization Initiative, stressed the importance of involving women in energy access initiatives.