



What will it take to achieve the MDGs? An International Assessment

Poverty Practice Group
Bureau for Development Policy

July 2010



This assessment notes that . . .

What the evidence tells us

- There are important **synergies** among the MDGs
- **Policy commitments** determine the success of the MDGs
- Rapid poverty and hunger reduction is a result of high per capita growth driven by **agricultural productivity, employment creation and equity**
- Rapid improvements can be made when supply-side investments in social services are supported by demand-side policies, mainly the **elimination of user charges**
- Targeted interventions, such as **social protection and employment programmes**, are key to MDG acceleration



Ensuring **girls** have access to health, education and productive assets helps progress the MDGs

- Supporting the **diversification of livelihoods** away from climate-sensitive activities is an essential MDG strategy
- **Domestic resource mobilisation** is the primary source of sustainable MDG financing
- The global partnership needs to make a greater effort to build **a coherent, enabling international environment**

Synergies between the MDGs – **progress in one goal supports progress in others**

Significant **multiplier effects**
across the MDGs

Women's empowerment
Education
Health
**Environmental sustainability &
climate resilience**
Agricultural innovation
Employment-intensive growth

- Birth rates are likely to be lower in **women-empowered** households – this is associated with better health and education for children
- Children born to mothers without **formal education** are more likely to suffer from malnutrition or die before the age of five
- Provision of **water** and **low-cost electricity** saves time for women, enabling them to engage in education and income-generating activities
- **Crossbreeding of rice** in 13 African countries contributed to an increase in women farmers' income and higher protein in the rice. The areas under this **innovative** scheme saw increase in primary school attendance and health checkups and reduction in child sickness
- When **growth is associated with higher employment and productivity**, the income of the poor is expected to increase – this leads to higher consumption and investment
 - **the rural poor's** consumption and investments tend to be in labour-intensive goods and services, further reinforcing employment-intensive growth



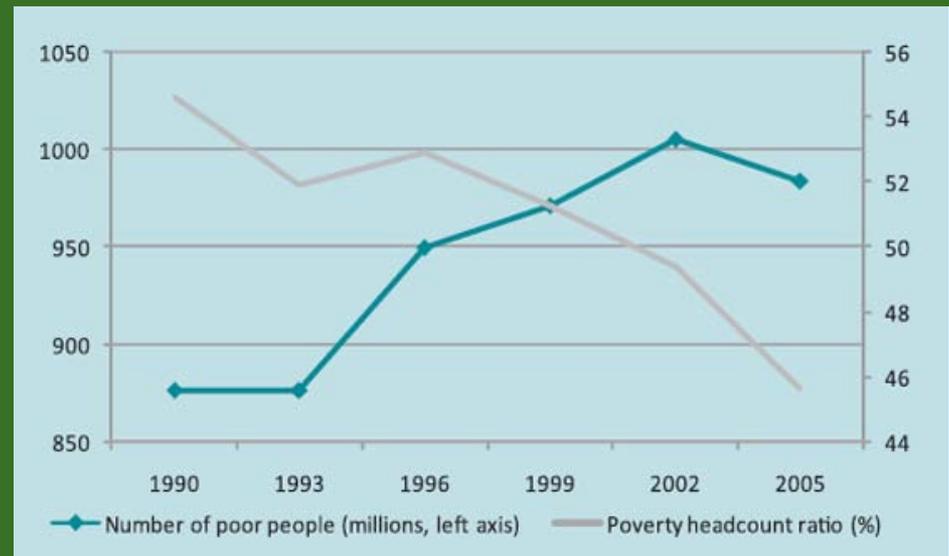
MDG achievements and gaps

Poverty, unemployment and hunger

Where we are

- The number of people living on less than \$1.25 a day fell to 1.4 billion in 2005 from 1.8 billion in 1990
- East Asia and the Pacific have more than halved the proportion of people living on less than \$1.25 a day
- The number of poor people in sub-Saharan Africa and South Asia increased from 877 million to more than one billion in 2002
- Progress on hunger has reversed – 1.02 billion people are undernourished worldwide
- Due to the economic crisis, it is estimated that in 2010 an extra 15 million people will fall into poverty measured at \$1.25 a day

Share and number of the poor in sub-Saharan Africa and South Asia (\$1.25 per day)



Source: Calculated from the World Bank's PovcalNet Database

Success stories



Malawi's national fertilizer subsidy programme has been associated with an increased total cultivation area by 25 per cent and benefited more than 1.5 million households.

Malawi's maize production reached 3.2 million tonnes in 2007, ensuring food self-sufficiency

- Debt relief through Nigeria's **Virtual Poverty Fund** was directed to agriculture and contributed to doubling agricultural production and farmer's income
- Tanzania's **Agricultural Sector Development Strategy** and **Kilimo Kwanza (Agriculture First)** builds rural roads, irrigation and grain storage facilities, leading to a 27 per cent increase in good roads. The country's food poverty fell by 11 per cent between 2001 and 2007

What has worked

1. **Employment-intensive growth** is critical for rapid poverty reduction because labour is often the greatest asset owned by the poor
2. **Reducing inequalities** leads to faster poverty reduction
3. **A pro-poor macroeconomic framework and enabling environment** is critical for poverty reduction and crisis resilience
4. **Supporting agriculture and rural development** helps to increase food production and reduce poverty and hunger
5. **Equitable provision of agricultural inputs** can contribute to higher food production



MDG achievements and gaps

Primary education

What has worked

1. **Abolition of school fees at the primary level has been important**

This contributed to surges of enrolment in Ghana, Kenya, Tanzania, Mozambique, Ethiopia and Nepal

2. **Investment in school infrastructure and human capital also helps**

Tanzania ensured the construction of 54,000 classrooms between 2002 and 2006 and hired 18,000 additional teachers

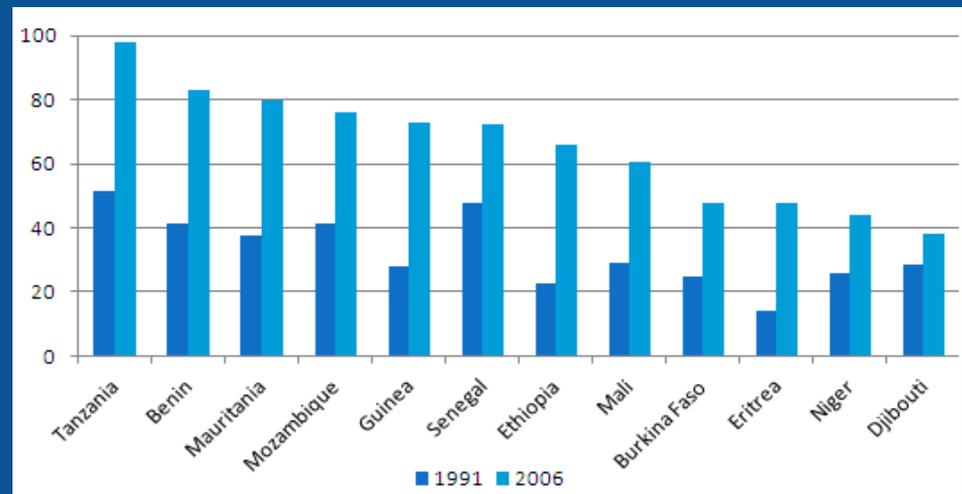
3. **Enrolment rates should be supported by measures that address student retention and quality of education**

Dropout and repetition rates remain high and pupil-teacher ratios are rising

Where we are Between 1990 – 2007

- Global primary school enrolment is at 88 per cent
- Gross intake rate in sub-Saharan Africa increased by 25 per cent
- Dropout and repetition rates remain high

Net enrolment ratios in primary education in sub-Saharan Africa (percentage)



Source: United Nations Statistics Division



MDG achievements and gaps

Gender equality and women's empowerment

Poverty has a woman's face



Investing in girls' education and empowering women – through labour participation and self-employment – have **strong multiplier effects** across all the MDGs

Where we are

- The gender gap in education has narrowed significantly. By 2008, 96 girls per 100 boys were enrolled in schools globally, compared with 91 girls per 100 boys in 1999
- Globally, women held only 18 per cent of seats in parliament in 2009. Rwanda has the highest proportion of women parliamentarians in the world, achieved through a constitutional quota

What has worked

1. **Legal and constitutional reforms can help countries to achieve the MDGs** In Bahrain, 98 per cent of women participated in a referendum in 2001, paving the way for legislative reforms that gave Bahraini women full rights as citizens
2. **Public-private partnerships advance women's empowerment in the work place** Mexico's *Generosidad* has certified 117 firms with the Gender Equity Seal for achieving gender equity in recruitment, career advancement, training and sexual harassment
3. **Gender sensitive budgeting** Following policy reform in Nepal, about 44 percent of the national budget now directly or indirectly addresses gender imbalances –for instance, in income and landownership



MDG achievements and gaps

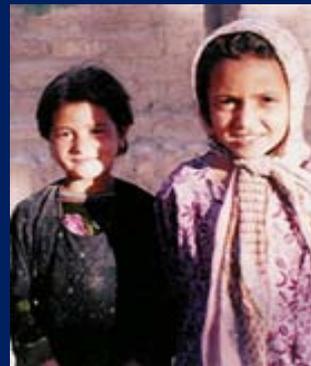
Child and maternal health

Where we are

- Under-five deaths declined from 12.5 million in 1990 to 9 million in 2008
- Measles-related deaths in sub-Saharan Africa decreased by 91 per cent between 1990 and 2007
- All 34 countries with under-five mortality rates above one per 10 live births are in sub-Saharan Africa
- Globally maternal mortality has declined slowly, from 576,000 deaths in 1990 to 536,000 in 2005. Maternal mortality ratio declined from 430 per 100,000 live births in 1990 to 400 in 2005
- Sub-Saharan Africa and South Asia together accounted for 86 percent of all global maternal deaths in 2005

What has worked

- 1. International and public-private partnerships**
Vaccination against measles for 700 million children averted 7.5 million deaths. Viet Nam's Expanded Programme of Immunisation benefitted more than 90 percent of children and pregnant women
- 2. Investments in skilled health workers**
Egypt increased the number of births attended by a trained health provider and established maternity homes providing emergency obstetric care in remote areas



Afghanistan's Basic Package of Health Services focused on construction of health centres and hospitals, training of health workers, and large-scale vaccinations. Amidst conflicts, Afghanistan saw a significant decline in under-five mortality between 2002 and 2004



6 MDG achievements and gaps HIV, malaria and other diseases

Where we are

- The number of people newly infected with HIV fell from 3.5 million in 1996 to 2.7 million in 2005. AIDS-related deaths has declined from 2 million in 1990 to 1.7 million in 2007
- About one million people die annually from malaria, with 88 per cent of the deaths occurring in sub-Saharan Africa
- Two thirds of all new infections occur in sub-Saharan Africa. Infection rates are also rapidly increasing in Eastern Europe and Central Asia
- Globally, the number of new tuberculosis cases have increased by one million between 2000 and 2007
- The TB-HIV link is common – 15 percent of all TB cases are among those who are HIV positive

What has worked

1. **Universal access to antiretroviral therapy (ART), condom use and knowledge of HIV**
Cambodia's 100 per cent Condom Use Programme contributed to twice as much condom use among sex workers. HIV prevalence declined from 1.2 to 0.7 per cent between 2003 and 2008. By 2007, over 4 million people in developing countries were receiving ART
2. **Distribution of insecticide-treated bed nets**
The percentage of children protected by bed nets in sub-Saharan Africa went up by 20 percentage points between 2000 and 2008 following grassroots campaigns, such as Nothing but Nets and support from the Global Fund
3. **National coordination and partnerships** India's Revised National TB Control Programme is the largest TB programme in the world. The programme has initiated more than 11 million patients on treatment and saved 2 million lives. It has reduced TB mortality by 43 per cent and TB prevalence by 67 percent between 1990 and 2008



MDG achievements and gaps

Environmental sustainability

Where we are

- CO₂ emissions reached 21 billion metric tons in 2006. This is a 31 per cent increase from 1990
- Deforestation continues at 13 million hectares every year
- The share of depleted fish species globally increased by 10 percentage points between 1995 and 2006
- Globally, some 2.6 billion people lack access to basic sanitation
- 884 million people face water scarcity. 75 per cent of them live in rural areas
- Small-Island Developing States face reversal of their MDG progress due to threats from natural disasters

What we learnt

1. **Collaboration among countries** is necessary for conservation and sustainable use of natural resources
2. **Community-based eco-projects** create employment opportunities and can have a positive impact on various MDGs
3. **There is a gender-poverty-energy nexus**
Women's burden of domestic activities is exacerbated by lack of infrastructure and alternative energy sources
4. **Access to drinking water and basic sanitation** needs further improvement
5. **Strengthening risk-reduction capacities** in countries exposed to natural disaster is vital to avoid reversal on MDG achievements

Success stories

- Enabling access to energy through small diesel or bio-fuel generators in Burkina Faso, Ghana, Mali and Senegal created income-generating opportunities for women
- South Asia's *Women Well-Being, Work, Waste and Sanitation* project trained women as sanitation facilities installers. It also allowed them to earn additional income

The MDGs in the face of crises, shocks and vulnerabilities



Economic Crisis

- It is estimated that in 2010, an extra 15 million people will fall into poverty measured at \$1.25 a day
- In the absence of the crisis, 260,000 more children under five could have been prevented from dying in 2015
- Reduced household consumption has long-term negative effects on child growth and learning abilities
- Recovery should focus on improving the health of children and women, who are disproportionately affected

Climate Change

- Climate change adaptation is urgently required to ensure sustainability of MDG achievements. 'Climate resilient' MDGs will cost around \$100 billion a year for the next decade
- More frequent and severe natural disasters threaten health, income and ecosystems. In sub-Saharan Africa, climate change might cause a fall in agricultural yields of 50 per cent by 2020
- Rural-urban migration will have major implications for social service provision

High Food Prices

- The poor who spend 60 – 80 per cent of income on food are disproportionately affected. In Bangladesh and Mozambique, 60 per cent of rural households are net buyers of staple foods
- Malnutrition losses incurred during the first 27 months since inception cannot be reversed, representing losses the child will carry throughout life

Urbanization, slums and the MDGs

- In 2005, a third of all urban residents in the developing world lived in slums
- Children in slums are twice as likely to be **under-nourished** than their counterparts elsewhere
- Cities continue to discharge ever-increasing amounts of **waste into air and freshwater bodies**
- **A well-managed urbanization is beneficial to the MDGs** – cities create jobs, attract businesses and spur innovation

Conflict and crisis

- **Conflict and political violence destroy a country's economic, governance and administrative institutions**
Consequently, making progress on the MDGs becomes incredibly challenging
- **Violence can rapidly erode previous progress and spread across borders**
A third of the world's poor live in 43 fragile states, accounting for half of all under-five mortality and a third of maternal mortality



Ethiopia's urban population doubled between 1990 and 2008, with a 60 per cent rise in slum dwellers. To address the issue the government promoted small- and medium-scale enterprises, community-based urban works programmes, and constructed over 80,000 public housing units

Strategies in developing countries and MDG acceleration

Country-led development

- Institutional and human capacities for sound policies and successful implementation
- Responsive and accountable institutions
- Integration of the MDGs into national plans, which must be tailored to the local context

Inclusive and pro-poor economic growth

- Growth must be accompanied by a more equal distribution of income, assets and opportunities to accelerate poverty reduction
- Rural-urban inequalities are widespread. Improvements in agricultural productivity is key
- Gender, ethnicity and birthplace have direct correlations with income and consumption

Public investment in education, health and basic services

- Domestic resource mobilisation is essential for scaling up investments
- Innovative financing mechanisms include environmental taxes and other temporarily earmarked taxes



Albania adopted MDG9 to strengthen good governance



Philippines launched an initiative to ensure transparent and local level MDG progress



The Gambia adopted a community-based mechanism to monitor service delivery



Uganda made public the government's transfer of capitation grants to each school districts



India enabled its citizens to hold policy makers accountable for service delivery using social audit mechanisms

Social protection programmes

- Social assistance and public employment programmes contribute to the reduction of poverty and inequality and build human capital
- The ultimate goal should be universal coverage
- Accurate targeting, scaling up and sustainability are concerns that need further attention
- The public sector plays a critical role in response to social and economic crises, mainly by acting as employer of last resort

Climate adaptation and low-carbon development

- Climate change and poverty reduction policies must be integrated at an operational level
- For low-income countries, the priority may not be to cut emissions, but rather about the benefits and opportunities that the climate change agenda provides in terms of low-carbon development



Panama's conditional cash transfer programme *Red de Oportunidades* provided free primary care services, vaccinations and reproductive health care to 70,599 households, which is 95 per cent of people living under the poverty line, between 2007 – 2008



Small-scale micro projects such as provision of low-cost electricity in the form of multi-functional platforms -- either in diesel or bio-fuel – in Burkina Faso, Ghana, Mali and Senegal have created income-generating opportunities for women, while reducing time poverty by up to 6 hours a day



The global partnership

A coherent and enabling international environment

- Increased ODA and debt relief have had real impact
- Focus on policy coherence
- Adverse effects of financial and economic crisis demands increased transparency and accountability

Aid quantity and allocation

- Increased ODA has supported MDG progress
- Donors should meet ODA targets
- Multilateral donors can increase the equity of aid
- Agriculture receives 4 percent of ODA globally, while employing 75 percent of the poor

Aid effectiveness

- Tackle fragmentation
- Increase predictable budget support
- Division of labour

Innovative financing

- Global funds
- Climate financing

Debt sustainability

- Post-crisis, consider extending debt relief, including through a moratorium and/or debt swaps
- Orderly debt work-out mechanism

Trade

- Agree on development-friendly Doha Round by end-2011
- Support South-South trade and regional integration

Climate deal

- Agree on a global commitment on climate change mitigation strategy

Other areas

- Access to technologies
- Migration and remittances
- Foreign investment
- Illicit flows and tax cooperation

The MDG Action Agenda 2010 – 2015

1. **Support country-led development and effective governance**

- Domestic strategies, policies and interventions, with national ownership and capacities
- Issues of governance must be addressed
- Institutional capacity building to strengthen transparency and accountability
- Capable, resourced and accountable civil servants
- MDG localization

2. **Foster inclusive and pro-poor economic growth**

- Employment intensive growth drives poverty reduction
- Address rural-urban inequalities by supporting agriculture – can contribute to production increases and food security
- Private sector can be the engine of growth: access to credit, international market access, infrastructure

3. **Increase public investments in education, health, water, sanitation and infrastructure**

- Allocate sufficient public funds to education and health. Investments in skilled health workers
- Supply-side investments should be complemented by demand-side policies, mainly the elimination of user fees
- Free access to HIV treatment
- In conflict situations, non-state actors should be considered for service delivery
- Investments in water, sanitation, housing and other infrastructure

4. Expand opportunities for women and girls and advance their economic, legal and political empowerment

- Ensuring that girls have access to health and education helps progress across all of the MDGs
- Constitutional and legal reforms directly enhance women's political participation
- Property rights underpin women's economic opportunities
- Providing infrastructure to households frees women to engage in income generating activities and girls to attend school
- Gender-sensitive public finance constitutes an effective tool to address gender imbalances in land rights and income levels

5. Scale up targeted interventions, including social protection and employment programmes

- Partnerships with domestic and international civil society can support quick impact interventions.
- Mass immunization and the distribution of bed nets and ART contribute to saving lives
- Social assistance and cash transfer programmes reduce vulnerabilities during crises and shocks
- Targeting mechanisms must be strengthened, while the ultimate objective should be universal coverage

6. Support climate adaptation, enhance access to energy and promote low-carbon development

- A global agreement on climate change should support adaptation for people with fewer resources
- Integration of climate change and MDG policies
- Small Island Developing States, Landlocked Developing Countries, and countries with vast coastal areas need support to avoid reversal on MDG achievements

7. **Accelerate domestic resource mobilisation to finance the MDGs**

- Broadening tax base and enhancing the efficiency of tax collection
- Establishing progressive taxes can ensure that heavy burdens do not fall on the poor
- Options for innovative resource mobilization, e.g. taxing carbon-based industries
- Supplemented by improvements in efficiency of allocation of public funds
- Financial sector policies to increase pool of savings available to governments and the private sector

8. **Ensure the Global Partnership creates and enabling environment for the MDGs**

- Deliver on ODA commitments and improve the predictability, effectiveness, division of labour and modality of disbursement of aid
- Budget support is associated with better MDG outcomes
- Providing ODA as grants and extending the grace period for concessional ODA to LDCs beyond 2015 to avoid generating new debt burdens
- Where appropriate, post-crisis debt relief and/or a moratorium for vulnerable countries
- More equitable distribution of ODA among countries by multilateral agencies
- Explore innovative financing, but don't fragment architecture further

Summary of the MDG Action Agenda

1. Support **country-led development and effective governance**
2. Foster **inclusive and pro-poor economic growth**
3. Increase **public investments** in education, health, water and sanitation, and infrastructure
4. Invest in **women and girls** and advance their economic, legal and political empowerment
5. Scale up **targeted interventions**, including social protection and employment programmes
6. Support **climate adaptation**, enhance **access to energy** and promote **low-carbon development**
7. Accelerate **domestic resource mobilisation** to finance the MDGs
8. Ensure the Global Partnership creates an **enabling environment for the MDGs**