

Development Cooperation Forum
**Policy Dialogue 5 – Achieving the MDGs by 2015: an agenda for
more and improved development cooperation**

Talking Points

Many reports and discussions on the MDGs focus on where progress is lagging. While we have a long way to go to achieve our Goals, it is important to recall that the MDGs are already a **success story**. The MDGs have contributed to unprecedented development progress over the last decade.

The 2010 UN MDGs Report, released last week, concluded that the world remains on track to meet the goal of halving the number of people living in extreme **poverty** by 2015. In fact, most developing regions are expected to achieve the MDG poverty target – countries across the globe have tackled the challenge of poverty and begun to find solutions.

Enrolment in primary **education** has risen to 89 per cent in the developing world, with major advances being made in even some of the poorest countries.

We are also seeing progress in **child health**. In 2008 some 10,000 fewer children died each day than in 1990.

The MDGs have been placed at the centre of **national plans**, with many countries preparing their own version of the MDGs to track their development progress.

Official Development Assistance increased by nearly 30 per cent in real terms between 2004 and 2009 – according to the OECD Development Assistance Committee this is the largest volume increase ever in ODA over such a period.

While aid is clearly only part of the story in achieving the MDGs, we recognise more aid is needed. In Australia's case, we made a commitment in 2005 to double our aid program by 2010. We have met that commitment, and expect to more than double our aid program again in the next five years.

And traditional donors are no longer the only **development actors**. South-South and triangular cooperation are now important sources of development resources, helping transfer knowledge and technology between developing countries.

The private sector is now an increasingly large source of funds for development, with entities like the Gates Foundation investing in creative development interventions.

And **innovative financing** is showing great potential – the 2009 report of the High-Level Taskforce on Innovative International Financing for Health Systems demonstrated how non-traditional approaches can be used to fill the financing gap for health systems.

Examples include the expanded International Finance Facility for Immunisation (to which Australia committed \$250 million last September); Debt2Health swaps, such as that we are working through with Indonesia; and the HANSHEP initiative (Harnessing Non-state actors for Better Health for the Poor) which aims to support developing country governments strengthen their ability to work with non-state actors in the health sector.

Over the last decade we have seen donors getting serious about working with developing countries to improve **aid effectiveness**. Through the Accra Agenda and the Paris Declaration, clear commitments have been made to providing more predictable, less conditional aid, channelled through country systems, and focused on results. This greater focus on aid quality has helped ensure aid responds to national priorities and reduced wastage and inefficiencies.

The MDG targets were deliberately set at an **ambitious but achievable** level. They provided a push for the international community to work together to, ultimately, eradicate poverty. The clear targets and indicators of the MDGs enable us to measure how far we have come, and how much further we have to go.

Citizens in many countries - including Australia - are now engaged in and supportive of this vital international effort.

Clearly the MDGs have been highly successful in mobilising funding commitments and promoting more coherent and effective approaches. But there is a long way to go - some of the MDGs are seriously off-track, and the financial and economic crisis has been a set-back.

I would like to highlight **three areas** where more attention will be important in accelerating progress towards the MDGs, over the next five years:

1. We must put women and girls first.

As discussions this week at ECOSOC have highlighted, we cannot achieve the MDGs without a greater focus on gender equality and empowerment of women. In particular, we need to ensure girls get an education – because educated women can help pull their whole families out of poverty.

We know an extra year of schooling can boost a girl's future wages by 10 to 25 per cent and women typically reinvest 90 per cent of their income in their family, compared to 30 to 40 per cent of men's income.

We know that a girl who attends primary school will have a much greater chance of a healthier and more prosperous life for herself, her family and her community. And she will be more likely to contribute to political and decision-making processes to help pave the way for other girls and women in her community.

It is also critical that the international community step up efforts to build health systems that work for women, to tackle maternal mortality. It is unacceptable that hundreds of thousands of women should continue to die needlessly each year.

2. National leadership and ownership of the development process is crucial.

National plans and budgets have to prioritise MDGs, and domestic resource mobilisation is important – countries that have made progress against the MDGs have done so largely with domestic resources, with aid complementing national efforts.

Effective government policies, including laws, regulations, standards and guidelines are key. We need to recognise synergies among MDGs, and the need for multi-sectoral approaches and coordination.

We need to build strong institutional and human resource capacity, including in rural areas. We need to provide staff with incentives to deliver high quality services. And we need strong monitoring and evaluation.

3. More work is needed on the aid effectiveness agenda and on policy coherence

The Accra Agenda and Paris Declaration provide a strong framework for more effective aid partnerships – but there is a need for commitments to be implemented.

We need to provide more aid, and more predictable aid, through national systems. We need to invest more in national capacity building.

In the Pacific, we are taking forward this agenda through the Cairns Compact agreed to by Pacific Leaders in 2009. The Compact is driving coherent, joined up approaches to aid delivery and ensuring effective use of development resources.

It will be important to link discussions on South-South Cooperation with aid effectiveness discussions, enabling different development actors to learn from each other. The Development Cooperation Forum could continue to play an important role in this, given it brings together donors and developing countries.

And we need greater attention to be given to policy coherence – for example progress in trade liberalisation could bring many times the benefits of increased aid. We all need to work towards a successful conclusion to the Doha round with an ambitious, balanced, and development-oriented outcome.

Conclusion

The MDGs Summit has an important role in raising awareness amongst our communities of the success which has already been achieved in tackling poverty, as well as the importance of more resources to tackle the final stretch to 2015.

Taxpayers can be sceptical about the value of aid. The MDGs Summit is a chance to address that scepticism, and present a clear message that we can achieve the MDGs if we all work together.

It will also deliver a clear message to the citizens of the developing world that they can expect their lives to improve over the next five years, and they should hold all of us accountable for this.

Australia is committed to playing our role in a strengthened global partnership for development.