Preliminary BIAC Perspectives for the Post-2015 Development Agenda

The Business and Industry Advisory Committee to the OECD (BIAC) is the officially recognised voice of business at the OECD. BIAC members include national business, industry and employers associations from OECD member and observer countries, as well as associate experts. BIAC brings a business perspective in policy fields covered by the OECD
BIAC is pleased to contribute its views and expertise to the future global development agenda, recognising that the existing Millennium Development Goals (MDGs) are due to expire by 2015. While the United Nations is leading the consultative process for the post-2015 agenda, BIAC expects the OECD to play an important role through its extensive data and fact-based policy analysis, including through its Development Assistance Committee (DAC), the Global Partnership for Effective Development Cooperation, the OECD Development Strategy, and the full range of other OECD committee activities. BIAC is well-placed to contribute private sector messages from the standpoint of OECD business, drawing upon our institutional knowledge of the OECD and our ongoing contributions to its policy work. In preparing this contribution, BIAC sought feedback from its entire membership – 41 national business and employers’ organisations in OECD countries (BIAC Members), 9 national business and employers’ organisations in emerging economies (BIAC Observers), 35 international sector-specific organisations (BIAC Associate Experts), and 38 BIAC policy committees and task forces. Responses were then incorporated into this synthesised document. The perspectives provided in the following pages are intended as an initial BIAC input to the post-2015 development agenda discussions. Clearly this is an ongoing process at this stage, and BIAC shall seek to further refine its views and engage in these discussions going forwards.
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In BIAC’s view, the overarching objective of the post-2015 framework should be to enable as many countries as possible to achieve effective and sustainable development. The MDGs have made important progress towards this objective through gaining global recognition by governments, business and civil society on the need to make significant improvements in developing countries. While we believe that all of the existing broad MDG themes should be included in the post-2015 framework, we nevertheless feel that all of them require significant amendments and additions, as several important elements are missing.

Crucially, the current MDGs do not recognise the essential role played by the private sector, and the private sector was not sufficiently consulted in the design of the MDGs. The private sector is an integral element of the “how”, as full realisation of the MDGs will only be accomplished through growth, which is created by private business.

Private sector-led growth is essential in building the strong, sustainable and inclusive growth that is needed in developing countries. Beyond private philanthropy and corporate social responsibility, the private sector is a key partner in development through establishing new enterprises, creating jobs, providing goods and services, generating income and profits, and contributing to public revenues.

The private sector should therefore be explicitly referred to as an enabler of all of the post-2015 goals. However, the private sector requires an operating environment conducive to business activity in order to generate growth and create jobs. It is therefore crucial for the post-2015 framework to consider the entire enabling environment for growth and development. This means looking beyond the basic human needs to also look at the enabling conditions required for societies and economies to realise their full potential, as detailed in the pages of this paper.

Key to all of this is greater co-operation, where the promotion of consensus-building through stakeholder dialogue and consultation – notably between governments, business and civil society – is vital for designing effective solutions and for implementing them in practice. This co-
operation includes, but is not limited to, public-private partnerships, risk-sharing mechanisms and guarantee schemes. The post-2015 framework should for instance set out the complementary roles of public and private financing for development, recognising the catalytic role played by official development assistance (ODA) for triggering private investment into what would otherwise be “non-commercially viable” projects. In this context, there is a need for an effective blending of aid and concessional lending with non-concessional resources, and future guarantees provided by official donors should be recognised as ODA.

After providing further details on the points raised above in Parts I and II of this BIAC paper, Part III presents a preliminary BIAC vision for the post-2015 goals. These goals may be refined further over coming months, but are intended as initial business input to discussions on the post-2015 framework.
PART 1: BIAC GENERAL VIEWS FOR A POST-2015 DEVELOPMENT FRAMEWORK

I. What’s missing in the current MDGs?

1. The MDGs have gained global recognition by governments, business and civil society on the need to make significant improvements in developing countries. These goals have served relatively well as a framework for development co-operation, encouraging donors and partners to streamline their actions towards internationally agreed objectives. However, several important elements are missing from the original MDGs, as described below.

   The “how” is missing, including the key role played by the private sector...

2. In BIAC’s view, the current MDGs include insufficient focus on how they should be realised, as the emphasis is put on the final results. Significant attention needs to be paid to a strategic approach for achieving these results, even if specific approaches may change over time.

3. Though by no means an exhaustive list, several missing elements in the “how” of the current MDGs may be summarised as follows:

   • Lack of a consultation process in the design and implementation of the goals, including a insufficient participation of some key actors (e.g. beneficiaries, enterprises, women)

   • Lack of universality, applicable in both developed and developing countries, recognising that activities carried out in developing countries can bring positive effects (such as growth and jobs) in developed countries

   • Insufficient attention to national/local circumstances

   • Insufficient monitoring and results-based evaluation, where the lack of credible statistics has sometimes hindered development approaches in certain regions and countries

   • Lack of medium- to long-term political and financial planning to guarantee the sustainability of interventions in order to meet the MDGs
• Insufficient coordination of interventions, where there is still much room for strengthening the alignment and harmonisation of different countries’ efforts

• Lack of a comprehensive view, taking into account the political, social, economic and environmental contexts

4. Crucially, the current MDGs do not recognise the essential role played by the private sector, and the private sector was not sufficiently consulted in the design of the MDGs. The private sector is an integral element of the “how”, as full realisation of the MDGs will only be accomplished through sustainable economic development that cannot be achieved without private business (both foreign and domestic, and of all sizes). Given the insufficient attention paid to the private sector to date, business engagement in the development agenda has not as yet been particularly consistent, often focusing more on philanthropy than core business activities – it is nevertheless in the latter where the most potential for development exists.

The MDGs look only at the basic human needs, without considering the broader enabling environment...

5. The current MDGs do not look beyond securing basic human needs. However, these basic needs are closely linked to a multitude of underlying and interconnected issues. Basic needs cannot therefore be achieved in isolation from the rest of the economy.

6. It is therefore crucial to consider the entire enabling environment for development that is conducive to business. This is clearly stated in the joint public-private statement submitted to the Fourth High-Level Forum on Aid Effectiveness, quoted below, and has been emphasised by the private sector in several other fora:

Governments should consult closely with the domestic and foreign private sectors in order to create an enabling environment for development which promotes peace and stability, the rule of law, enforcement of human rights, good governance with accountability and transparency, the absence of corruption, adequate economic and social infrastructure, stable economic policy, an educated workforce, clear property rights and enforceable contracts, enhances the competitiveness of the local private sector and promotes equitable growth.

“Expanding and Enhancing Public and Private Co-operation for Broad-based, Inclusive and Sustainable Growth”, Busan 2011
7. There are therefore several important aspects of the enabling environment which the current MDGs do not sufficiently consider. These include, for example, the regulatory framework as well as financing, infrastructure (transport, energy, water and health), information & communications technologies, among others. These enabling factors should not be considered in silos, as all are interconnected and require a more systemic approach.

8. Furthermore, even insofar as the focus on basic needs is concerned, there are still many issues which are not adequately taken into account in the goals. For example, with respect to the MDGs on health (MDGs 4, 5 and 6), there is not enough attention paid to functioning health systems and health infrastructures as well as emerging challenges such as the rise of non-communicable diseases. With respect to education (MDG 2), this only focuses on increasing access to primary education but does not consider the quality of that education, nor does it consider the importance of lifelong learning and/or vocational training for individuals of all ages in order to boost their employability in the labour market and the formal economy.

II. **Which current MDGs (if any) should be incorporated into the post-2015 framework?**

9. Several of the current MDGs are reasonable, but greater effort needs to be taken to facilitate the implementation of actions that will achieve the goals under a post-2015 framework. Thus while certain new goals should be added, it is equally important to carry forward and amend the existing goals.

10. **BIAC believes that all of the existing broad MDGs should be included in the post-2015 framework, but all of them require amendments:**

   - **MDG1 “Eradicate Extreme Poverty and Hunger”:** A post-2015 goal on food security should identify the underlying causes and strategic aspects for improvement, such as increasing smallholder productivity in food insecure countries in combination with large-scale farming. Food security also demands addressing the following issues: fostering food storage and processing, providing access to agricultural machinery and equipment, and sharing of knowledge.

   - **MDG2 “Achieve Universal Primary Education”:** This should be kept and amended to emphasise quality and lifelong learning, as well as greater access to pre-school education. From a business perspective, efforts in education should go beyond
primary education. In order to achieve a more sustainable economic development, create more qualified jobs and foster entrepreneurship, a broader approach towards education is needed by including secondary education and business orientated training schemes, such as vocational training, with the aim of expanding knowledge and skills.

- **MDG3 “Promote Gender Equality and Empower Women”**: This should be expanded to also include reference to economic equality.

- **MDG4 “Reduce Child Mortality”, MDG5 “Improve Maternal Health” and MDG6 “Combat HIV/AIDS, Malaria and other Diseases”**: All of these health-focused goals should be integrated into one strong health goal for the post-2015 agenda. Substantial progress in combating diseases, improving maternal health and reducing child mortality is heavily dependent on a functioning system and strong health infrastructure (health centres, hospitals etc.). A reworked MDG6 should incorporate additional diseases that primarily affect poor people and should specifically mention neglected tropical diseases. Furthermore, non-communicable diseases and conditions, as defined by the WHO, should also be included as they are a growing concern in the developing world. Moreover, to abide with the concept of “prevention is better than cure”, more emphasis should be given to the importance of healthy and hygienic living to reduce the cost of healthcare to society. In addition, it should be recognised that the private sector plays an important role in the provision of health care.

- **MDG7 “Ensure Environmental Sustainability”**: This should be expanded to include the concept of sustainable energy for all. However, it would appear necessary to make this into a separate goal on energy security, as stated in part 3 of this paper. Access to sustainable energy is not only regarded as an environmental goal but also as an engine for sustainable economic development and a tool to lift people out of poverty. Thus, it covers three dimensions of development – economic, environmental and social. For instance, gas and hydro electric projects hold high potential for many developing countries in Africa to stimulate their industrial base and lower costs. A focus on water and biodiversity should also be included, in particular, strengthening targets for access to safe drinking water and sanitation. Sustainable management of natural resources should also be reflected.

- **MDG8 “Develop a Global Partnership for Development”**: This should link closely to the new “Global Partnership for Effective Development Co-operation”, which was the main outcome from the Fourth High-Level Forum on Aid Effectiveness in Busan in
2011. This goal should be prioritised. Moreover, this goal should place a stronger emphasis on alignment and harmonisation efforts required from donors.

III. Addressing the causes of poverty

11. The post-2015 development framework should shift the discourse from “poverty reduction” to “inclusive growth”, which through equality of opportunity is the basis for fighting inequality, improving social outcomes and reducing poverty. This means looking beyond the basic human needs to also look at the enabling conditions required for societies and economies to realise their full potential.

12. In short, this means building the right enabling environment, as mentioned above in paragraph 6, whereby policymakers can make sound regulations, society can flourish, and businesses can thrive and deliver growth. This can contribute towards the diversification of local economies, allowing developing economies to attract and retain investments in different sectors and viable industries, while also serving to shore up the local tax base (through volume of receipts and diversity of sectors). It is an important pre-requisite for companies to be able to rely on an effective and fair legislative system, including (preferably international) arbitration. Due attention should also be paid to the development of local businesses and supporting local innovation, while reducing the size of the informal sector. All of this leads to more resilient and sustainable economic growth.

13. Encouraging greater co-operation between public and private sectors is therefore essential, including public-private partnerships, risk-sharing mechanisms, guarantee schemes and lowering of interest rates, but also broader consultative processes and dialogues.

14. Importantly, increased attention should be paid to cause and effect not just at the national level, but also at the international level, recognising that cross-border issues can have an important impact on poverty. This means that greater international co-operation across all aspects of the economy is essential in order to better identify, understand and address the challenges and opportunities presented by an ever-globalising world. It is therefore crucially important to promote the sharing of knowledge and lessons learned, such as is the case of the OECD and other international organisations, where country-specific policy recommendations should be considered and implemented.
IV. Addressing environmental sustainability

15. In order to tackle the roots of poverty, it is important to take a comprehensive approach to include environmental issues, which can pose significant challenges to development. Environmental sustainability must therefore be placed in the core of the post-2015 development framework. In BIAC’s view, the post-2015 agenda should consider how to incorporate the Sustainable Development Goals (SDGs). This should focus on making “green” and “growth” mutually supportive, recognising that the third dimension of Sustainable Development (the social pillar) should also be included.

16. In this context, due attention should be paid to the role played by innovation and technology in achieving sustainability, as well as the development of new business models. Policies should encourage research, development, deployment and diffusion of new technologies.

17. Importantly, the development and monitoring of environmental sustainability goals and indicators should be grounded in science. They should be “SMART” – Specific, Measurable, Attainable, Relevant and Time-bound.

18. Supporting institutional capacity will play a key role in identifying environmental priorities, formulating targeted policy response and driving the transition. Government policies to increase technological and institutional capacity are critical. Capacity building needs to go beyond the traditional focus on environment ministries, to include finance, planning and sector ministries as well as the private sector and foster collaboration across agencies. Education about sustainability and efficient use of resources should be encouraged.

19. Sound environmental policies, based on scientific assessment and life-cycle analysis, are an important part of a stable policy framework in developing countries. Transparency and reliability of these policies are important to ensure that companies can factor in costs for long-term investments and avoid high compliance costs due to rapid and arbitrary changes.

20. Environment policies should be considered from a cross-policy perspective; taking into account the extensive inter-linkages between sectors and challenges. Energy, water, food and transport are increasingly mutually dependent and regulatory environments must be careful to minimise policy trade-offs.
21. While environmental standards also have an important role to play, it is important to take into account the fact that small- and medium-sized enterprises may encounter significant difficulties in meeting new global standards on the same timelines as bigger companies, due to resource and capacity constraints.

V. The overarching objective for the post-2015 framework

22. Putting it simply, the overarching objective of the post-2015 framework should be to enable as many countries as possible to achieve effective and sustainable development.

23. The bigger question, however, is “How?” In order to realise this overarching objective, a global, comprehensive and multi-stakeholder partnership approach is essential. Each country should then go through the process of setting its own specific national strategies and targets, based on universally agreed principles and goals, in order to spur development “on the ground”. Due attention needs to be paid to long-term financial planning and political commitments, proper coordination of interventions, and a comprehensive “whole economy” approach. Importantly, the progress of government-led development interventions should be monitored and evaluated.

24. The post-2015 frameworks should also respect the voluntary nature of the original MDGs. This flexibility should continue so that countries can determine their own development pathways, while providing them with the support and capacity-building needed to make informed decisions and monitor their progress.
PART II: THE ROLE FOR BUSINESS IN THE POST-2015 DEVELOPMENT FRAMEWORK

25. In BIAC’s view, private sector-led growth is essential in building the strong, sustainable and inclusive growth that is needed in developing countries. Beyond private philanthropy and corporate social responsibility, the private sector is a key partner in development through establishing new enterprises, creating jobs, providing goods and services, generating income and profits, contributing to public revenues and building partnerships with and among SMEs in both developing and developed countries. In addition, increasing focus is now being placed on using aid to leverage private investments, such as through innovative financing mechanisms and public-private partnerships. However, to achieve strong, sustainable and inclusive private sector-led growth, it is an essential prerequisite to build an enabling policy environment conducive to business activities.

I. The private sector is an enabler of all of the post-2015 goals

26. While business clearly plays an important role in development, creating a specific quantitative goal for the private sector faces many challenges. Unlike governments, there is no clear “chain of command” for the global private sector, and companies are not bound by national borders. The global business community is composed of a wide variety of independent entities of different types and sizes, and not all businesses will be able to meet a universal goal. Moreover, it should be borne in mind that the private sector is essential for realising all of the post-2015 goals.

27. The private sector should therefore be explicitly referred to as an enabler of all of the post-2015 goals. The post-2015 framework should firmly recognise the essential role played by the private sector in contributing to growth and development. This should recognise the private sector as an equal partner and key stakeholder, and could be stated in the context of a revised MDG8 on “Develop a Global Partnership for Development”. Given this official platform, it will be easier to move forward identifying roles and responsibilities between private sector, governments and civil society.

28. In order to recognise and maximise the power of the private sector as an enabler, the post-2015 framework should describe what business needs in order to operate. For
instance, it should make clear that economically-viable solutions can be found in countries if business is included in the early consultative and planning stages of policymaking. Thus the post-2015 framework should state that governments should work to set priorities and build an institutional and regulatory environment conducive to growth and development, in which businesses can thrive. In the right enabling environment, business can increase investments, create jobs, and ensure that resources are being used sustainably, while providing also benefits to employees (such as training and health benefits).

29. If the post-2015 framework explicitly states the role played by the private sector as an enabler of development, this could also help to raise awareness among the broader business community, particularly local businesses in developing countries. A well-defined recognition of the role of business in the post-2015 framework would provide an official point of reference for private sector actors, governments and civil society.

II.  The role of multi-stakeholder partnerships

30. The promotion of consensus-building through stakeholder dialogue – notably between governments, business and civil society – is vital for designing effective solutions and for implementing them in practice. They create a shared sense of accountability and responsibility. Such multi-stakeholder co-operation may take place for example in the context of creating an enabling business environment.

31. Importantly, there is no one-size-fits-all definition of the role played by such partnerships, as the approach, aim, issue, sector and stakeholders will differ in each case. Nevertheless, such partnerships can generally work towards responsible business practices and inclusive business models.

32. In order to help ensure that the post-2015 framework enables more partnerships and takes existing ones to scale, it would be important to educate and emphasise why such partnerships are desirable and to involve stakeholders early in any consultation processes.

III.  Stepping up private financing

33. It is of great importance that effective risk mitigation instruments and public-private partnerships (PPPs) are developed with the aim to form strategic alliances between donor
agencies and private sector lenders/investors. The post-2015 framework should set out the complementary roles of public and private financing for development, recognising the catalytic role played by official development assistance (ODA) for triggering private investment into what would otherwise be “non-commercially viable” projects.

34. The financial sector as a whole should be encouraged to reduce its risk aversion to investing in developing countries. Greater attention should be devoted to exploring innovative financing methods.

35. In this context, there is a need for an **effective blending of aid and concessional lending with non-concessional resources**. For instance, there should be a commitment to create greater synergies between ODA and trade finance.

36. Furthermore, **future guarantees provided by official donors should be recognised as ODA**. Currently the ODA definition does not generally include development guarantees, and such guarantees are only accepted as ODA if a claim occurs which leads to an actual cash flow from the guarantor to the beneficiary of the guarantee. Evidently, this practice discourages bilateral donors to provide such guarantees, meaning that this is a fundamental obstacle in establishing strategic public-private partnerships. An explicit recognition of (development) guarantees within the ODA definition is important in bridging the gap between the investment needs of developing countries and the scare development finance resources available. This recognition would allow limited ODA resources to leverage private financing, and ODA donors would be able to maintain or even increase their current ODA performance without substantial budget implications.
PART III: BIAC’S MANIFESTO FOR THE POST-2015 DEVELOPMENT FRAMEWORK

37. The following paragraphs provide a preliminary BIAC vision for the post-2015 goals. Clearly they will still require more refinement over the coming several months, but they at least indicate the main priority areas of the OECD business community.

38. The goals are listed in no particular order of priority, as all of them are necessary for development and they are all mutually-reinforcing. As a general principle, however, we would encourage decision-makers to give strong weight to the goals which are enablers of other goals. For example, goals which address the fundamentals of an enabling environment (e.g. water, energy, agriculture, and transport infrastructure; and rule of law and governance) are prerequisites for other goals relating to issues such as education, health, gender, and so on.
# Goal 1: Develop a Global Partnership for Development

<table>
<thead>
<tr>
<th>Why?</th>
<th>The original MDG8 on “Develop a Global Partnership for Development” lacks explicit reference to a multi-stakeholder approach for development that should ensure greater alignment and coordination of development efforts. These multi-stakeholder approaches are nevertheless essential for bringing about effective development.</th>
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<tbody>
<tr>
<td>Possible targets</td>
<td>While precise targets for this goal require further reflection, key themes should include the following:</td>
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<tr>
<td></td>
<td>• Identify key stakeholders and equal partners, including governments, the private sector and civil society. This should recognise their differing needs and potential contributions to development efforts</td>
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<td></td>
<td>• Explicitly recognise the role of the private sector as an <em>enabler</em> of all post-2015 goals</td>
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<td></td>
<td>• Encourage greater co-operation between public and private sectors for development, at global, national and local levels</td>
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<td></td>
<td>• Work together to build the right enabling environment for development, through proper consultation and dialogue processes among stakeholders</td>
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<td>• Raise global awareness and educating about the importance of multi-stakeholder co-operation</td>
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<td>• Enhance cooperation in capacity-building</td>
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<td></td>
<td>• Develop better models of knowledge sharing</td>
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<td></td>
<td>• Foster alignment and harmonisation efforts of/by donors</td>
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<tr>
<td>Measuring progress</td>
<td>The main contributor to this goal could be the “Global Partnership for Effective Development Co-operation”, which was created following the Fourth High-Level Forum on Aid Effectiveness in Busan in 2011. The main reference document in this case is the “Busan Partnership Document” which sets out a comprehensive range of commitments that are due to be systematically monitored over coming years. Indicators are being investigated in the Global Partnership, focusing upon the governments’ engagement of the private sector and the civil society environment in countries.</td>
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<td>An explicit recognition should also be given to the activities of the “Building Block for Public-Private Co-operation for Development”</td>
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**Goal 2: Improve Business Enabling Environments Conducive to Prosperity and Wellbeing**

<table>
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<tr>
<th>Why?</th>
<th>MDG1 “Eradicate Extreme Poverty and Hunger” looks only at the most basic human needs, but without due consideration of the entire enabling environment for growth and development which is responsible for meeting people’s needs. It is only through addressing the entire enabling environment that it will be possible for countries to realise their full potential for development.</th>
</tr>
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</table>
| Possible targets | While precise targets for this goal require further reflection, key themes should include the following (this is not an exhaustive list):  
- Promote peace, stability (including political and economic stability) and democracy  
- Ensure rule of law and respect human rights, including arbitration  
- Ensure good governance with accountability and transparency  
- Eliminate corruption and bribery, recognising that such illicit behaviour distorts competitive markets, impairs growth and poverty reduction, and undermines rule of law and democratic institutions  
- Ensure transport infrastructure (e.g. improve trade-related infrastructure and make Aid-for-Trade more conducive to business)  
- Ensure adequate economic and social infrastructures, such as water, energy, agriculture and information technology infrastructures  
- Promote policies that create an enabling framework for doing business.  
- Promote open and competitive markets for trade and investment, taking into account a reasonable time trajectory for fragile economies  
- Encourage fair and effective competition policies through which private companies can flourish  
- Foster cooperation between the private sector and public sector actors as well as development cooperation, including private-public partnerships.  
- Promote responsible business practices  
- Promote inclusive business models  
- Address the question of land tenure, property rights and land grabbing (e.g. through the introduction of registers of real estate, dispute settlement mechanisms etc.)  
- Build effective tax policies for domestic resource mobilisation  
- Foster greater entrepreneurship |
| Measuring progress | The Post-2015 framework should encourage governments to set priorities with respect to the sorts of aspects mentioned above, in close co-operation with business and other key stakeholders, in order to build an institutional and regulatory environment conducive to growth and development. In terms of measurement, some tools already exist, such as the World Bank Group’s “Worldwide Governance Indicators” and the “Doing Business” survey.  
Sharing of good practices and policy analysis should be encouraged among countries. Adherence to international standards and instruments should also be encouraged. For example, in the case of anti-corruption, adherence and implementation of the OECD Anti-Bribery Convention could be one of the measures of progress. |
## Goal 3: Strengthen Development Financing

**Why?**

The original MDGs lack reference to medium- to long-term financial planning to guarantee the sustainability of interventions in order to meet development objectives. In addition, it is clear that official development assistance (ODA) alone cannot singlehandedly deliver long-term development, and thus the mobilisation of private financing is essential in order to realise growth and development. However, lowering the investment risk is important for raising private financing.

**Possible targets**

While precise targets for this goal require further reflection, key themes should include the following:

- Increase the blending of financial resources for development, such as through building greater synergies between ODA and trade finance
- Increase dialogue with development and commercial banks to review risk elements in order to increase available finance for entrepreneurs and SMEs in developing economies
- Recognise future guarantees provided by donors as ODA in order to help leverage private financing and mitigate against risks
- Increase transparency in official development assistance, including greater transparency by recipient countries in their use of funds received
- Ensure that development assistance works to establish frameworks for sustainable domestic resource mobilisation, such as transparent tax administrations, as part of the overall investment framework
- Reduce the size of countries’ informal economies in order to raise tax bases.
- Make procurement policies of development banks more sustainable by including life-cycle considerations, more systemic tendering and putting a stronger emphasis on quality, maintenance and services. Furthermore, apply the following ‘procurement policy principles’: *anti-corruption and integrity, transparency, efficiency, equal access and non-discrimination, economy (value for money), sustainability, and capacity-building*

**Measuring progress**

Indicators should be refined through further dialogue together with business and other key stakeholders.
**Goal 4: Ensure Environmental Sustainability**

| Why? | MDG7 “Ensure Environmental Sustainability” still requires further work to be done in order for this goal to be met. Meanwhile, certain important issues were not sufficiently reflected in MDG7, such as energy security, food security or waste-water management. Given the importance of these sorts of issues, we have separated them into their own individual goals (5, 6 and 7). Nevertheless, given their interconnectedness, it is vital to consider goals 4 to 7 in parallel. |
| Possible targets | While precise targets for this goal would require further reflection, key themes should include the following: |
| | • Consider how to merge the Sustainable Development Goals (SDGs) and the post-2015 MDGs agenda |
| | • Develop policies to encourage innovation, including research, development, deployment and diffusion of new technologies, in order to use resources in an efficient and sustainable way |
| | • Include biodiversity as a key pillar of environmental sustainability with a particular emphasis on sustainable use and management of natural resources |
| Measuring progress | Indicators should be refined through further dialogue together with business and other key stakeholders. |
## Goal 5: Strengthen Water Security

| **Why?** | MDG7 “Ensure Environmental Sustainability” still requires further work to be done in order for this goal to be met. Meanwhile, certain important issues were not sufficiently reflected in MDG7, such as waste-water management. A new goal for water should be more ambitious, comprehensive and operational.

Moreover, water for survival is recognised as a human right. It therefore deserves attention within the discussion of the post 2015 development goals. Governments must strengthen leadership and set priorities, whilst driving a policy environment that overcomes silos. |
| **Possible targets** | While precise targets for this goal require further reflection, key themes should include the following:

- Provide universal, fair and efficient access to drinking water and sanitation, with an ambitious target for coverage
- Consider the quality of water supplied and quality in the type of access.
- Control water pollution and manage waste-water, recognising waste-water as a valuable resource than can reduce water stress
- Increase water use efficiency and productivity to ensure that the optimum use is made of limited water resources, with an explicit integration of the SDG perspective
- Use efficient, environmentally friendly technologies
- Address water overuse, including bringing freshwater withdrawals back into line with sustainable supply (natural renewal minus environmental flows).
- Consider the nexus between food, energy and water, when solutions are developed |
| **Measuring progress** | Through identification and use of agreed indicators, the various targets such as those mentioned above can be monitored and evaluated.

In the case of waste-water management, for example, indicators might include the percentage of urban population whose waste-water is collected in sewers, the percentage of urban population whose waste-water is treated in an off-site treatment plant supervised by public authorities, the percentage of water released by urban and industrial waste-water treatment plants that is reused, and so on. These indicators should be refined through further dialogue together with business and other key stakeholders.

Further work could also be carried out to examine the value of water, which would help to ensure that the price of water reflects its true economic value. This will promote rational decision-making with respect to water use and provide the economic foundation for appropriate water infrastructure and services. |
### Goal 6: Strengthen Food and Nutrition Security

**Why?**  
MDG1 “Eradicate Extreme Poverty and Hunger” does not identify or address the underlying causes of hunger. As a consequence, MDG1 risks promoting unsustainable actions, while missing opportunities to promote collective action and innovation in identifying and scaling up solutions.

We therefore advocate a separate goal focusing upon food and nutrition security. This goal should recognise and support a wide diversity of agricultural systems, farming practices, technologies and farmers, as well as balanced diets. This should recognise that sustainable agriculture differs by landscape, and thus countries and farmers need flexibility and a variety of solutions to undertake continuous improvements in terms of yields and the usage of water, soil and energy.

**Possible targets**  
While precise targets for this goal require further reflection, key themes should include the following:

- Foster agricultural productivity and innovation among smallholders and large-scale farmers, including through increasing investment, sustainable approaches, strengthening R&D, building an effective intellectual property rights regime, and fostering public-private partnerships
- Foster nutrition security to tackle malnutrition
- Build resilience to price volatility, including through trade liberalisation, transparent information sharing, and investment in supply chain infrastructure and storage facilities
- Optimise food storage and processing through appropriate technology and knowledge-sharing
- Provide access to agricultural machinery, equipment and inputs
- Provide knowledge sharing in environmental-friendly management of natural resources, including technologies and engineering
- Foster approaches to address social issues and promote education and knowledge transfer, such as through extension programmes
- Foster partnerships between smallholders and companies
- Encourage a dialogue on how to promote more sustainable types of agriculture, forestry and aquaculture, including a dialogue on voluntary sustainability standards and multi-stakeholder fora

**Measuring progress**  
Indicators should be refined through further dialogue together with business and other key stakeholders. Such discussions could draw upon existing international texts, such as the African Union’s Declarations on Food Security in Maputo (2003) and Abuja (2006), the G8 L’Aquila Statement (2009) and the UN Zero Hunger Challenge, among others.
### Goal 7: Strengthen Energy Security

**Why?** MDG7 “Ensure Environmental Sustainability” did not include reference to sustainable energy. Sustainable energy is an essential motor of social and economic development for an ever-increasing world population and an indispensable ingredient of sustainable economic development. Social and economic development can be attained only if a secure, reliable, affordable and sustainable supply of energy is ensured.

**Possible targets** While precise targets for this goal require further reflection, key themes should include the following:

- Keep all energy options open in countries, while recognising a stronger emphasis on renewable energy and energy efficiency solutions, including off-grid solutions
- Increase access to sustainable, safe and reliable energy, including through optimisation of energy systems for developing countries, such as smaller-scale systems, and infrastructure investments
- Focus on energy efficiency to reduce the demand for energy. Reducing (relative) energy demand, for example by switching to energy efficient lighting or improving climate control in buildings, will reduce the need for capital intensive energy supply investments and help transition countries towards an energy secure and low-carbon society
- Develop smart power grids at state but also at local level (decentralised systems)
- Enable new technologies to play a responsible role in the future energy mix

**Measuring progress** Indicators may include, for example:

- Decoupling of economic growth and energy consumption.
- CO2 reduction
- Technology deployment
- Decrease of number of people without access to energy
- Energy intensity (as a proxy for energy efficiency)
**Goal 8: Improve Transport Infrastructure**

| Why? | Adequate and efficient transport infrastructure (e.g. roads, railways, ports, inland waterways, airports, etc.) is key to achieving all the MDGs. The UN Economic Commission for Africa (UNECA) finds that transport infrastructure can be expected to make a big contribution to overall MDG attainment, particularly in Africa but also other parts of the world (see report “Transport and the MDGs in Africa”, by the African Union and UNECA, in collaboration with the African Development Bank, World Bank and EU, February 2005). More specifically, the various targets connected with MDG 8 “Develop a global partnership for development” oblige stakeholders to “address the special needs of least developed and landlocked developing countries”, including strengthening their capacity to export and to integrate themselves in the global trading system. |
| Possible targets | • Lower the transport and logistics costs for private operators  
• Reduce accidents on existing and new transport connections  
• Create access for the products of rural communities to regional and national markets  
• Improve the prerequisite conditions for attracting Foreign Direct Investment into transport infrastructure and enhance the competitiveness of developing countries  
• Reduce the time and distance to health services and education facilities  
• Promote the creation of transport corridors that enable the supply chains of agro products and minerals, either toward processing units situated near large markets in developing countries and/or for onward international transport |
| Measuring progress | • Increase total road density and paved road density (in km)  
• Increase passenger and freight rail density (in km)  
• Reduce road and rail freight tariffs (in US$ per ton per km)  
• Contained volumes (in TEU)  
• Gateway container handling costs (in US$) |
## Goal 9: Improve Health Care

| Why? | MDGs 4, 5 and 6 were helpful and should remain as important aspects of the new post-2015 framework. However, they do not sufficiently consider the importance of functioning health systems and related health infrastructures, and instead focused only upon single diseases or target groups. Merging these goals into one comprehensive goal on health care is therefore important, in particular in light of the Non-Communicable Disease (NDC) challenge. |
| Possible targets | While precise targets for this goal require further reflection, key themes should include the following: |
| | - Create a functioning health care system |
| | - Develop a roadmap towards achieving universal healthcare coverage and access by introducing (statutory or private) risk pooling schemes with involvement of the private sector |
| | - Promote prevention of non-communicable diseases, as defined by the WHO, and personal initiatives for healthier and more active lifestyles through patient engagement and education |
| | - Reduce/eliminate user fees at point of primary care |
| | - Enable access to secondary and tertiary care |
| | - Foster a solid health care delivery infrastructure (urban, semi-urban and rural areas), through investments and PPPs, in order to improve the efficiency of health care delivery to citizens and patients |
| | - Encourage local innovation for locally relevant health care challenges |
| | - Offer capacity-building to sustain and increase an appropriately trained workforce |
| | - Encourage access to capital and technical assistance among small- and medium-sized healthcare providers |
| | - Invest in data collection and studies that generate information about consumers’ (healthcare) behaviours, financial and quality performance of providers, cost of healthcare delivery and the development of business models at local-level |
| Measuring progress | Long-term goals and monitoring periods, such as 15 years as per the current MDGs, are useful but need to be broken down into shorter-term milestone targets, such as through a regular reporting mechanism to ensure that progress is monitored on an ongoing basis. |
| | Indicators should be refined through further dialogue together with business and other key stakeholders. |
Goal 10: Improve Education Access and Quality

<table>
<thead>
<tr>
<th><strong>Why?</strong></th>
<th>MDG2 “Achieve universal primary education” is clearly important in increasing access to education. However, it does not refer to education access for older children or adults. This is particularly important when one considers the extent of long-term youth unemployment in many developing countries. MDG2 also does not consider the quality of the education.</th>
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<tr>
<td><strong>Possible targets</strong></td>
<td>While precise targets for this goal require further reflection, key themes should include the following:</td>
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<tr>
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<td>• Increase access to education for all, recognising the importance of lifelong learning</td>
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<td>• Boost the quality of education, through greater focus on evaluation and assessment of education systems, schools, students and teachers</td>
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<td>• Review the basic curriculum to better address societal and labour market needs in countries (in close co-operation with employers), including focus on entrepreneurship</td>
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<td>• Encourage the spread of vocational education and training, apprenticeships, and dual internship-education opportunities, particularly among youths, as well as other business-oriented training schemes</td>
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<td></td>
<td>• Encourage development of, and access to, pre-school education programmes</td>
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<td><strong>Measuring progress</strong></td>
<td>Indicators should be refined through further dialogue together with business and other key stakeholders.</td>
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### Goal 11: Foster a Digital Society

**Why?** Access to information is key for democracy and education which are in turn major enablers for all new development goals. Information technology can contribute to them, as it contributes to more efficient economies and trade, better healthcare, improved financial flows, more effective administration, and so on.

<table>
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<tr>
<th>Possible targets</th>
<th>While precise targets for this goal require further reflection, key themes should include the following:</th>
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<td>• Promote deployment of telecommunications infrastructure and fight the digital divide both for voice and data communication</td>
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<td>• Foster development of local applications for key areas such as education, healthcare, e-government, financial services, rural and agricultural services</td>
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<td></td>
<td>• Develop digital literacy</td>
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<td>• Promote and support development of local contents</td>
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| Measuring progress | Indicators should be refined through further dialogue together with business and other key stakeholders. |
**Goal 12: Gender Equality and Social Inclusion**

| Why? | MDG3 “Promote gender equality and empower women” focused upon eliminating gender disparity in education, which should of course be encouraged. However, MDG3 did not look at gender equality in the adult population. The BIAC report “Putting all our minds to work: harnessing the gender dividend” (available [here](#)) outlines the business case for gender diversity, which positively impacts firm performance and economic growth, bringing benefits to economies and societies. In addition to promoting gender equality, the inclusion of other groups into labour markets and societies, such as youth, elderly and migrants, should be actively encouraged. |
| Possible targets | While precise targets for this goal require further reflection, key themes should include the following:  
  - Promote gender equality by encouraging policy frameworks that advance and do not obstruct equal opportunities for women’s employment and entrepreneurship. *However, this needs to be treated sensitively, as such “help” for women’s equality may in cases compromise rather than assist their ability to seek employment.*  
  - Ensure that policy frameworks promote inclusion and socio-economic mobility of vulnerable groups, such as youths, elderly, women and migrants. |
| Measuring progress | Indicators should be refined through further dialogue together with business and other key stakeholders. |