

ROLE OF DEVELOPMENT COOPERATION IN IMPLEMENTING THE 2030 AGENDA: TIME FOR MORE AND BETTER AID

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Abstract

The Sustainable Development Goals (SDGs) are a continuation of the unfinished plan of the Millennium Development Goals (MDGs). They are, however, more comprehensive in scope, encompassing economic, social, and environmental aspects of development. To implement the agenda, mobilization of substantial resources is needed both at the domestic level and from transnational partners. To this end, the role of development cooperation or Official Development Assistance (ODA) from traditional donors of the Development Assistance Committee (DAC) of the Organisation for Economic Cooperation and Development (OECD), as well as international cooperation from non-DAC aid-providers, is one of the key sources of financing the SDGs. While the agenda does not come up with a new discourse on the role and importance of ODA for the SDGs, aid donors have been asked to achieve the target of 0.7 percent of their gross national income (GNI) as ODA. Aggregate ODA was over \$131 billion in 2015. Averaging about 0.29 percent of the GNI of DAC donors. This level is still noticeably below the internationally agreed target of 0.7 percent of their GNI. This paper examines the role and significance of international development cooperation in implementing the 2030 Agenda and achieving the 17 SDGs. Besides ODA, the paper also reflects on other means of financing such as aid from non-traditional donors, climate fund, and private financing. It argues that in view of the ambitious nature of the SDGs and lack of resources and capacities in numerous countries, there is a need for significant

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quantitative and qualitative increase in ODA in line with requirements of the SDGs.

Introduction

People in the developed, as well as the developing countries, have a shared responsibility to make this planet a liveable place for the coming generations. To this end, numerous initiatives have been undertaken in the past under the United Nations (UN) umbrella. The latest is the 2015 UN Summit on Sustainable Development where world leaders agreed on the next set of goals, now known as the Sustainable Development Goals (SDGs), which replaced the Millennium Development Goals (MDGs). Concerning the MDGs, considerable gains were made regarding poverty alleviation and in the fight against illiteracy and disease. However, the overall progress has been mixed and uneven across regions and targets. As was the case with the MDGs, eradication of extreme poverty is at the core in the SDGs because poverty, hunger, inequality, and environmental degradation are the stark realities of the present time. For implementing the post-2015 development agenda, substantial resources are needed, particularly in the form of Official Development Assistance (ODA) or development cooperation. Hence, a renewed and reinvigorated global partnership for development is required. Achieving the SDGs is the shared responsibility of every UN member state whether it is a developed country providing cooperation (donor) or a developing country receiving such external development assistance (aid recipient). Thus, alongside domestic resource generation and mobilisation by developing countries, development cooperation has a significant role to play. Rather, in numerous resource-

deficient countries where needs are the greatest and resource mobilisation capacity the weakest, international development cooperation is one of the most important tools to enable these countries to implement the SDGs. In doing so, there is a need for both quantitative and qualitative increase in ODA. In terms of quantitative upsurge, there is a positive sign concerning gross ODA to developing countries, which was over \$131 billion in 2015. However, averaging about 0.29 per cent of the Gross National Income (GNI) of donors belonging to the Development Assistance Committee (DAC), it was still markedly below the internationally agreed target of 0.7 per cent of their GNI to which they had agreed in 1970 at the UN forum. So far, only five of the 29 DAC donors have met this target. Hence, implementing the 2030 Development Agenda demands that along with numerous other initiatives, the international donor community meets the target of 0.7 per cent so that reasonable financial resources are available for the people in the most urgent need. If donors reach the 0.7 per cent target, it would contribute an additional \$250 billion annually, bringing ODA to around \$400 billion, a significant increase by any standard. Concerning qualitative increase, development cooperation needs to be more effectively allocated to achieve the intended goals. While aid effectiveness remained the primary pursuit during successive High-level Forums on Aid Effectiveness in Rome (2003), Paris (2005), Accra (2008), and Busan (2011), significant issues still exist at both the donors' and the recipients' ends leading to aid ineffectiveness. The SDGs aim at forming a renewed and reinvigorated global partnership to mobilize the required resources for successfully implementing the 2030 Agenda

but how it is actualised will be integral to accomplishing the SDGs.

Journey from MDGs to SDGs

At the turn of the current millennium, the global community, under the UN umbrella, envisaged a set of interrelated development goals to be achieved by 2015.¹ These included halving extreme poverty, achieving universal primary education for both boys and girls, reducing infant and maternal mortality, promoting gender equity, and ensuring environmental sustainability.² Known as the Millennium Development Goals (MDGs), most of these goals were interrelated and the main focus was to eradicate extreme form of poverty and to raise people from abject poverty and enable them to have decent living conditions. Concerning the accomplishment with respect to these goals, the overall progress has been mixed and uneven across different regions and various targets. For example, a number of countries have fared relatively well regarding certain MDGs such as achieving universal primary education (Goal 2), promoting gender equality and empowerment of women (Goal 3), fighting disease (Goal 6), and global partnership for development (Goal 8).³ However, progress for a majority of countries has not been satisfactory in relation to the targets including eradication of extreme form of poverty (Goal 1), reducing child mortality rate (Goal 4), improving maternal health (Goal 5), and ensuring environmental sustainability (Goal 7). The *2015 MDG Report* also acknowledged that there were “uneven achievements and shortfalls in many areas. The work is not complete, and it must continue in the new development era.”⁴ Amongst these, the overall

performance has been visibly dismal towards reducing child mortality and improving maternal health in numerous countries across various regions.⁵ Hence, the prevalence of extreme poverty, hunger, disease, inequality, and environmental degradation are the stark realities of the present time and if not properly addressed, these will pose grave challenges to the well-being and progress of future generations.

While 2015 marked the deadline for the MDGs, the UN had already started preparing a new development agenda. At the Rio+20, the UN Conference on Sustainable Development held in 2012 in Brazil, UN member states decided to build on MDGs and spearhead a process for launching a broader and more comprehensive set of Sustainable Development Goals (SDGs). The conference report, titled *The Future We Want*, acknowledged at the outset that “poverty eradication is the greatest global challenge facing the world today and an indispensable requirement for sustainable development.”⁶ The document called for the establishment of an Open Working Group (OWG) comprised of 30 members to ensure “fair, equitable and balanced geographical representation.”⁷ To come up with a new set of SDGs, the UN document reiterated that OWG would fully commit “to ensure the full involvement of relevant stakeholders and expertise from civil society, the scientific community and the United Nations system in its work, in order to provide a diversity of perspectives and experience.”⁸

In view of this, the United Nations Development Group (UNDG) selected 11 key themes for global consultations related to the post-2015 development agenda.

These themes cover various facets of development challenges and include conflict and fragility, education, energy, environmental sustainability, food security, governance, growth and employment, health, inequalities, population dynamics, and water.⁹ To have a diverse and comprehensive global representation, 88 national consultations were held across the globe with over one million people from diverse backgrounds and age groups. The entire process was facilitated by UN country teams in coordination with governments, the private sector, think tanks, civil society, and academics. Following this year-long process, a report titled *A Million Voices: The World We Want* was released by the UN in 2013, which summarises the efforts and consultations of various stakeholders to be utilised during the formulation of the SDGs and the post-2015 development agenda. The report reveals that participants have prioritised issues such as ending extreme poverty and hunger, accomplishing gender equality, and improving health services and access to education for every child as their foremost concerns. It added that the participants wanted the future development framework and agenda to primarily address these issues.¹⁰ Based on this, the stage was set for a new global development agenda.

The 2030 Development Agenda and the SDGs

In the Third International Conference on Financing for Development held in Addis Ababa in July 2015, all UN member states agreed to strengthen the framework to finance sustainable development by means of resource mobilisation, including both domestic and international, for effective implementation of the post-2015 development

agenda. In the conference that became known as the Addis Ababa Action Agenda (AAAA), participants committed to reinvigoration and strengthening of the financing for development and “to ensure that the actions to which [they] commit are implemented and reviewed in an appropriate, inclusive, timely and transparent manner.”¹¹ Following this, during its 70th session in September 2015, the UNGA adopted the post-2015 development agenda in the document called *Transforming Our World: The 2030 Agenda for Sustainable Development*.¹² Focusing on 17 Sustainable Development Goals (SDGs) and 169 targets centred around people, planet, prosperity, peace, and partnership (5Ps), member states have committed to eradicate global poverty; to combat inequalities; “to build peaceful, just and inclusive societies; to protect human rights and promote gender equality and the empowerment of women and girls; and to ensure the lasting protection of the planet and its natural resources.”¹³ The declaration reaffirms to build on the unfinished agenda of the MDGs and to achieve until 2030 what remained unaccomplished concerning these development goals.

There is no doubt that the SDGs are broad, comprehensive, and far-reaching in their scope and universality. This has been acknowledged by various stakeholders including the UN bodies, the World Bank, and the Organization for Economic Cooperation and Development (OECD). To implement the post-2015 Development Agenda, it has been mentioned under the SDG 17 to forge a renewed and reinvigorated global partnership for sustainable development. The document states that the global community is “determined to mobilize the means

required to implement this Agenda through a revitalized Global Partnership for Sustainable Development...with the participation of all countries, all stakeholders and all people.”¹⁴ To fully implement the post-2015 development agenda, significant financial and technical resources as well as a high level of political commitment from numerous stakeholders at the local, national, regional, and international levels is required. The challenge of implementing the 2030 Development Agenda has been duly addressed in various UN conferences and subsequent policy reports. For example, the Addis Ababa Action Agenda clearly states, “Achieving an ambitious post-2015 development agenda, including all the sustainable development goals, will require an equally ambitious, comprehensive, holistic and transformative approach with respect to the means of implementation.”¹⁵ In view of this, some of the initiatives taken so far and future requirements and courses of action are briefly discussed here. Along with various other alternatives, one of the key roles will be that of Official Development Assistance (ODA) or development cooperation, which is available to the developing countries in various forms to complement their efforts and contribute to the implementation of the 2030 Agenda.

Current trends in development cooperation and their role in the 2030 Agenda

The role and effectiveness or ineffectiveness of development cooperation in poverty alleviation and achieving sustainable development is an unresolved issue. Many believe that foreign aid, at times, has played a significant role in enabling people in the developing countries

to address their foremost development issues. Some argue that development cooperation has served donor countries more than serving the interests of developing countries. Regarding these two debates and arguments, Monye, Ansah, and Orakwue observe that “the debate goes on and the jury is still out.”¹⁶ Putting aside this debate, development cooperation has undoubtedly remained a key concessional financial tool available to developing countries and continues to play an important role in poverty alleviation in numerous countries across various regions.

Although the volume of development cooperation from member countries of the Development Assistance Committee (DAC) of the OECD is still far behind the agreed target, it showed some upward trend in the year 2015. According to the 2016 Development Cooperation Report of the OECD, the total amount of aid flows was \$131.6 billion in 2015.¹⁷ The report also adds that with an increase of nearly 7 per cent, this has been the highest level reached by DAC members. Regarding the overall ratio of net ODA to gross national income (GNI), it was 0.3 per cent. While the overall levels of development assistance continue to record upward trends since 2000, there are significant variations amongst donors and their development cooperation allocation policies and practices. In terms of aggregate development cooperation, the largest aid-providers were France, Germany, Japan, the UK, and the US in 2015. In relation to donors’ development cooperation efforts and commitment regarding the achievement of the ODA target of 0.7 per cent of their GNI, as agreed upon under the UN resolution back in 1970, “only Denmark, Luxembourg, the Netherlands, Norway, Sweden and the United Kingdom” reached that

target in 2015.¹⁸ Thus, only six of the 29 DAC members have exceeded the UN target while a majority of the developed countries providing development cooperation lag behind achieving that mark. Amongst these six, the UK became the first country within the elite Group of 8 (G8) countries to accomplish the target since it was agreed in 1970.

As mentioned earlier, keeping in view the ambitiousness and vastness of the SDGs, along with various other modes of public and private financing, efforts must be intensified to increase the overall volume of development cooperation. At present, “close to 800 million people are chronically undernourished and do not have access to sufficient, safe, and nutritious food.”¹⁹ Similarly, access to decent education and health services is a grave development challenge for a vast majority of poor people in numerous countries. Hence, in contrast to the aggregate volume of aid, it is argued that a huge sum of \$3.3 trillion to \$4.5 trillion is required annually to achieve the SDGs globally.²⁰ A World Bank document states that alongside the over \$130 billion in development cooperation, there are various other modes of financing that contribute significantly to sustainable development including philanthropy, remittances, South-South cooperation, and foreign direct investment (FDI), “together these sources amount to nearly \$1 trillion.”²¹ Similarly, the main responsibility lies, as has been clearly laid down in the Addis Ababa Action Agenda as well as the 2030 Agenda, on governments in the developing countries to increase their domestic resource mobilisation while the international community would help complement their efforts. Counting the aforementioned available resources of one trillion, “the annual SDG financing gap in

developing countries is estimated at approximately \$2.5 trillion.”²² The same report further adds that although this seems to be an unachievable and unrealistic amount to be mobilised, it is merely 3 per cent of the global gross domestic product (GDP), 14 per cent of the global annual savings and 1.1 per cent of the value of global capital markets. In sum, for achieving the post-2015 SDGs, both developing countries and the international community need to forge effective, inclusive, and multidirectional partnerships involving the private sector, particularly the business community.

There is no doubt that the SDGs implementation requires financial resources far beyond the current aid volume to move from billions to trillions. However, development cooperation being an important financial resource, the donor community in the DAC needs to revitalise its aid efforts to achieve the ODA/GNI ratio of 0.7 per cent. Once that target is achieved by all the DAC members, it is estimated that it would bring the aggregate aid volume to about \$400 billion, nearly three times the current level. To this end, in almost all UN conferences and subsequent reports, the international donor community has been encouraged to raise aid levels. For example, the Monterrey Conference (2002), the Doha Conference (2008), the Rio+20 Conference (2012), and the Addis Ababa Conference (2015) have specifically mentioned that the DAC members need to achieve the ODA/GNI ratio of 0.7 per cent. The same has been addressed under the SDG 17 in the UN 2030 Agenda for Sustainable Development where it has been reiterated that developed countries need to “implement fully their official development assistance commitments,

including the commitment by many developed countries to achieve the target of 0.7 per cent of gross national income for official development assistance (ODA/GNI) to developing countries.”²³ Thus, as development cooperation constitutes an important mode of concessional financing and in some cases it is the most important tool of development financing in a number of poor countries, it is imperative for all major actors, particularly the DAC donors to increase their development cooperation levels to accomplish the 0.7 per cent ODA/GNI target and play a more vital and central role in contributing to achieving the SDGs.

Development cooperation from non-DAC donors and aggregate volume of development financing

Alongside development cooperation from traditional aid-providers consisting of the DAC members that have properly established bilateral aid mechanisms and programmes, there are several other actors in today’s international aid and development landscape. These actors contribute considerable financial resources in various forms to finance development interventions in developing countries. According to OECD, development cooperation volumes from 29 non-DAC aid-providers reached \$33 billion in 2014 and there was a significant upward movement in aggregate aid flows as compared to the \$24 billion in 2013.²⁴ This group of bilateral donors is quite heterogeneous geographically and ideologically as well as in terms of targeting their aid efforts. These include the “BRICS” (Brazil, the Russian Federation, India, China, and South Africa), some Latin American and Southeast Asian countries, and

various Arab countries including the United Arab Emirates (UAE), Saudi Arabia, Kuwait, and Qatar.

Thus, besides the DAC countries that provided an aggregate of over \$131 billion, development cooperation from the non-DAC donors also constitutes an integral element of development financing in numerous developing countries and can play a more significant role if utilised and targeted effectively. Also, along with government-to-government development cooperation, a large number of private organisations, foundations, philanthropists, and charities also contribute significantly in various sectors, particularly in health and education. For instance, the Bill & Melinda Gates Foundation, which also reports its development efforts to the OECD, disbursed about \$2.9 billion in 2014, mostly to African countries.²⁵ Thus, the total aid volumes from the DAC and non-DAC donors, as well as assistance from private entities, was \$183 billion in 2014, including \$24 billion disbursed by governments that are not members of the DAC.²⁶ Hence, utilizing this amount as effectively as possible where it is needed most can have a significant impact on the lives of those who lack sufficient resources and can play an integral role in alleviating acute poverty and help in achieving the SDGs.

Aid effectiveness: Enhancing the quality and impact of ODA for achieving SDGs

There is no doubt that development actors need to intensify their aid efforts with respect to increasing the volume of ODA, there is also a need to improve and enhance the quality of aid. Along with quantitative surge, qualitative improvement is of equal significance for enabling

development cooperation to make an impact on the lives of those in whose name the whole business of aid and development is carried out. That is why the UN has also emphasized that besides achieving the target of 0.7 per cent of GNI as ODA, “further improving ODA quality must be seen as part and parcel of a renewed global partnership’s effort to maximize the development impact of aid.”²⁷ Hence, attention towards and focus on aid effectiveness is as essential for achieving the SDGs as are other numerous initiatives. Regarding the on-the-ground impact of ODA for partner countries and bottom-of-the-pyramid groups as well as for reforming the international aid architecture, a number of initiatives have been undertaken under the OECD umbrella during the last two decades. All these initiatives resulted in the accord known as the 2005 Paris Declaration (PD) on Aid Effectiveness.²⁸ Signed by over a hundred actors including the governments providing and receiving development cooperation and a host of multilateral organisations, the PD was an unprecedented success. The signatories agreed upon a set of five interdependent commitments comprising ownership, alignment, harmonisation, management for results, and mutual accountability. The message of the declaration is simple but very important: “Aid will be more effective if the actions and behavioural changes listed as commitments under the five headings are undertaken, and less if they are not.”²⁹ Similarly, it is argued that “the PD is taken as the only globally accepted framework for concretely assessing donor progress towards aid effectiveness.”³⁰ It is believed that from the mid-1990s up to 2005, PD is a period of evolutionary policy thinking spearheaded by the OECD, which resulted in the emergence of a new aid paradigm

characterised by radical reforms in the international aid regime.³¹ A dominant characteristic of the new aid paradigm, illustrated clearly in the PD and subsequent declarations, is that the governments in developing countries have re-emerged as important actors in aid and development policies.³²

**The global aid effectiveness agenda:
Did the quality of aid improve and did
signatories achieve the PD targets?**

The effectiveness of development cooperation depends on how the donors and recipients manage and utilise it; in line with the PD commitments or not. Upon signing the PD, all signatories committed to undertake periodic surveys measuring progress towards implementation of the PD principles. The first two surveys were carried out in 2006 and 2008 and involved 34 and 55 countries, respectively. In the last survey carried out in 2011, 78 countries participated. During the baseline survey in 2006, evidence showed that significant ODA remained uncoordinated as there were numerous actors, sometimes with competing goals, leading to high transaction costs for development partners.³³ It illustrated that although some progress was made by both aid-providers and recipients, they lagged behind as the report called for more sustained efforts from both sides. The 2008 survey found that the overall aid landscape was not promising as signatories were unable to meet the targets concerning enhancement of the quality and impact of ODA.³⁴ The report identified that despite having systems of good quality in certain recipient countries, donors still tended to bypass those systems and

institutions and “too many donor activities remain[ed] uncoordinated at the country level.”³⁵ Covering 78 countries, the 2011 survey reported that globally only one out of the 13 targets set up for 2010 had been achieved.³⁶ However, it was stated that noticeable progress had been made towards achieving a majority of the 12 remaining targets. The main conclusion of these surveys was that in contrast to aid donors’ policies and practices of aid delivery, development partners had shown significant improvement in certain areas related to public financial management. Another report titled *Aid Effectiveness 2005-10: Progress in Implementing the Paris Declaration* depicts a fairly similar position as it asserts that overall progress concerning aid effectiveness is uneven across both providers and receivers of development cooperation.³⁷ This report also affirms that in various areas development partners have taken a number of initiatives in line with the PD but donors’ responses have not been reciprocal and progressive to meet the PD commitments.

Besides studies conducted by the OECD to monitor the implementation of the Paris Accord, other works have also explored the PD implementation. A study by Wood et al. has examined aid modalities and practices of 18 donor agencies in 22 countries.³⁸ The study finds that aid effectiveness “principles and commitments have been applied, if gradually and unevenly, among partner countries and more unevenly among donors and agencies.”³⁹ Echoing similar concerns highlighted by the OECD reports, this study also emphasises that although aid-receiving governments have made some progress, improvements from a number of aid providers are not up to the mark. Major constraints causing slow progress from the donors’ side include “the

over-centralization of many donors' and agencies' systems and decisions running counter to alignment with country systems; disconnects between corporate strategies and the aid effectiveness agenda and weak organizational incentives."⁴⁰ The study also pointed out that "it is urgent that all donor governments find ways to overcome the internal institutional or administrative obstacles slowing their aid reforms."⁴¹ Similarly, in another study focusing on Canada, Norway, and the UK, Gulrajani has also emphasised that donors' policies and on-the-ground practices are a cause of low progress towards the PD implementation and advancing the overall aid effectiveness agenda.⁴² According to the author, among numerous stakeholders on the aid landscape comprising "multilateral institutions, aid recipients, non-governmental agencies, think-tanks, media observers, consultants and academics...donor governments and their publicly financed donor agencies...are not pulling their weight in the global effort to enhance aid effectiveness."⁴³ In sum, although not ideal, considerable progress has been made in various areas because "compared with the aid situation 20 to 25 years ago, current practice presents a global picture of far greater transparency and far less donor-driven aid today."⁴⁴

Contrary to the above studies that conclude that donors are mainly responsible for the lack of progress towards accomplishing aid effectiveness commitments, Knack asserts that donor governments have shown considerable progress in line with the PD principles.⁴⁵ Focusing on the years 2005-10, the author examined aid practices of 34 aid donors, comprising both bilateral and multilateral, across 151 developing countries and territories.

The study finds that “donors’ behavior over the measurement period is largely consistent with their commitments in this area under the PD.”⁴⁶ The study adds that “donors appear to have modified their aid practices in ways that build rather than undermine administrative capacity and accountability in recipient country governments.”⁴⁷ Studies discussed earlier also highlight that in several areas the Paris Accord has made a noticeable difference and donors have considerably, if not entirely, reformed their aid policies.

There are other country case studies that have examined the actual impact of the PD principles on aid effectiveness. These include research by Hayman on Rwanda; Monye, Ansah, and Orakwue on Nigeria; Blunt, Turner, and Hertz on Cambodia and Indonesia; and a study by Ali on Pakistan to assess aid effectiveness within the PD framework.⁴⁸ These studies have identified two main issues that result in the ineffective delivery and utilisation of development cooperation. Concerning the role of development partners, the incidence of corruption and lack of strong and capable institutions are the major hurdles leading to the ineffectiveness of development of aid. In relation to the role of aid providers, their strategy of coming up with predetermined development interventions having little input from their development partners results in the ineffectiveness of development cooperation. The findings of these studies illustrate that in such a situation development cooperation is targeted at ventures that are not prioritised by the recipient governments and aid is not spent where it is needed the most. Thus, for implementing the 2030 Agenda and achieving the SDGs, it is vital for improving the quality and impact of development cooperation. Aid needs to be spent where it is needed the most and where it can make a marked contribution to the

lives of people for whose welfare and development aid is actually provided. To this end, lessons must be learnt from past experiences to reform and improve aid delivery practices so that development cooperation is more responsive to the needs and priorities of the bottom-of-the-pyramid groups and communities.

Role of ODA in implementing the 2030 Agenda in South Asia

While ODA constitutes an essential part of development financing in numerous developing regions and countries, its role is equally significant in South Asia as the region is faced with a number of development challenges. The total area of South Asia is about 5.2 million km² and its population is 1.7 billion or about one-fourth of the world's total. Thus, while South Asia is one of the most populous and the most densely populated regions in the world, it is also the region with the highest number of people suffering from acute poverty. It is one of the most dynamic regions in the world, but it is also one of the least economically integrated. While intraregional trade is about 25 per cent in the Association of Southeast Asian Nations (ASEAN) countries, in South Asia "intraregional trade accounts for just 5 percent of total trade."⁴⁹ On account of the shared history and culture of many of the region's countries including Afghanistan, Bangladesh, India, Pakistan, and Sri Lanka, there is a significant potential for economic integration but it has been dwarfed by decades-old interstate rivalries and mistrust. Also, "all nine countries have experienced internal conflict in the last two decades, and the resulting casualties have outnumbered those from interstate conflicts."⁵⁰ In this regard, Afghanistan and Pakistan are glaring examples

where thousands of people have been killed and millions have been displaced in the conflict during the last decade-and-a-half.

In view of the above, the region faces numerous development challenges. According to the *2015 Millennium Development Goals Report*, “The overwhelming majority of people living on less than \$1.25 a day reside in two regions—Southern Asia and sub-Saharan Africa.”⁵¹ The report further adds that in terms of overall poverty, about 80 per cent of the global poor people live in these two regions. According to the World Bank, “About 399 million people—40 percent of the world’s poor—live on less than \$1.25 a day” in South Asia.⁵² The region has “the greatest hunger burden, with about 281 million undernourished people.”⁵³ Similarly, “an estimated 57 per cent of out-of-school children will never go to school.”⁵⁴ The World Bank has stated that over 200 million people live in slums and about half a billion people have no access to electricity.⁵⁵ Similarly, a number of countries in the region suffer from extreme forms of social exclusion and huge infrastructure gaps. To sum it up, South Asia’s score on Human Development Index (HDI) is 0.607 and life expectancy at birth is 68.4 years. It is only better than sub-Saharan Africa as its HDI score is 0.518 and life expectancy at birth is 58.5.⁵⁶

In recent years, economic growth in the region has been remarkable and is considered one of the fastest in the world. According to the World Bank, “driven by strong expansion in India and low oil prices,” growth was 6.9 per cent in 2014 and 7.1 per cent in 2015.⁵⁷ However, as illustrated earlier, the dividends of economic growth have not benefitted a vast majority and there is still significant inequality across geographical areas, sectors, and genders. In order to overcome the challenge of acute poverty, the region will also need sustained development cooperation in various

forms and from various sources. In 2014, the World Bank provided \$7.9 billion to the region for 38 projects.⁵⁸ The primary sectors that were financed by the World Bank included water, sanitation, and flood protection (\$1.4 billion), transportation (\$1.3 billion), and public administration, law, and justice (\$1.2 billion). Similarly, the region received a total of over \$15 billion from DAC-OECD donors during 2014.⁵⁹ The data further reveals that the largest aid recipients were Afghanistan (\$4.8 billion), Pakistan (\$3.6 billion), India (\$2.9 billion), and Bangladesh (\$2.4 billion). Other smaller countries including Maldives, Nepal, Bhutan, and Sri Lanka also received significant development aid. It shows that development aid is a critical mode of concessional financing to promote sustainable development in South Asian countries. In view of the stark realities of the region, implementation of the 2030 Agenda and accomplishment of the SDGs in South Asia will need substantial international and transnational development cooperation. Thus, as in other regions, the South Asian region will also need more and better aid to show progress towards the implementation of the 2030 Agenda.

SDG 17: Strengthening and revitalizing a Global Partnership for Sustainable Development and the role of developing countries

While the SDG 17 itself is a goal to be accomplished, it also provides a kind of a roadmap with regard to building a reinvigorated and revitalized global partnership for achieving the SDGs. As discussed earlier, it has asked developed countries to accomplish the ODA commitment to reach 0.7 per cent of ODA/GNI. There is also an emphasis on developing countries to increase domestic resource mobilisation including improving “domestic capacity for tax

and other revenue collection.”⁶⁰ Thus, for implementing the 2030 Agenda and accomplishing the SDGs, accountable and inclusive institutions, “good governance, the rule of law... and measures to combat corruption and curb illicit financial flows will be integral.”⁶¹ While the Addis Ababa conference, as well as the subsequent 2030 Agenda, has reiterated that achieving SDGs would require trillions of dollars as billions are insufficient to achieve the intended outcomes, the primary responsibility lies on the shoulders of the leaders of the developing countries to take far-reaching and sustainable measures to make huge sums available for implementing the 2030 Agenda. Currently, a majority of developing countries in various regions are not doing enough concerning good governance and the rule of law. For example, the Washington-based think-tank Global Financial Integrity (GFI) has found that illicit financial flows (IFFs) from developing countries have continued to rise. In its 2015 report, it has stated that during the 2004-14 period, countries in the developing world across various regions have lost an aggregate of \$7.8 trillion in IFFs.⁶² The study further adds that the total volume crossed the \$1 trillion mark in 2011 and reached \$1.1 trillion in 2013. In sum, it is vital for developing countries to take the issue of good governance and the rule of law very seriously. Unless they have taken concrete measures for the eradication of corruption and curbing illicit financial flows, it is hard for developed countries to increase their aid flows and also to trust developing countries in having a greater say and a more central role in the utilisation of foreign aid funds, which could eventually result in aid ineffectiveness.

Alongside the international cooperation in the form of ODA or other kinds of assistance, achieving SDGs will require a “greater policy coherence between aid and non-aid policies (trade, debt, agricultural subsidies, financial and tax regulations, technology, etc.).”⁶³ Thus, FDI has been mentioned in the Addis Ababa Action Agenda as a vital complement to national development efforts. It is argued that “investments in developing countries—and even in the least developed countries—are seen as business opportunities...companies provide jobs, infrastructure, innovation and social services.”⁶⁴ However, the OECD report has also appropriately emphasised that “investors want to invest not just in good projects, but also with ‘good’ partners in ‘good’ countries with ‘good’ policies.”⁶⁵ Hence, for improving aid effectiveness as well as for attracting investors, it is exceedingly important that there is supremacy of the rule of law and good governance characterised by sound policies and efficient and accountable institutions. It is primarily the responsibility of the developing countries to ensure a domestic environment that could subsequently play a vital role in the implementation of the 2030 Agenda.

Total official support for sustainable development (TOSSD): A new measure to broaden the concept of ODA for better coordination and planning

For enhanced coordination and effective use of international cooperation to implement the 2030 Agenda, the Addis Ababa Action Agenda has called for “open, inclusive and transparent discussions on the modernization of the ODA measurement and on the proposed measure of total official support for sustainable development [TOSSD].”⁶⁶

However, it has also asked to reaffirm that any such measure will not dilute commitments already made by the international donor community. In the context of a revitalized Global Partnership to implement the 2030 Agenda, it is argued that there is a need of “bringing together Governments, the private sector, civil society, the United Nations system and other actors and mobilizing all available resources.”⁶⁷ To properly capture and analyse the impact of all available financial flows from diverse official sources, the OECD is working on developing a broad and modern concept of international cooperation, which would include not only ODA but all forms of official assistance comprising South-South cooperation and assistance from numerous public and private entities including both bilateral and multilateral ones. It consists of launching sound, transparent, and accountable international standards for calculating and monitoring development finance for implementing the 2030 Agenda.⁶⁸ The aim is to have a full picture of all financial resources that are available to assist developing countries in implementing the SDGs. The 2030 Agenda states that these will include “the mobilisation of financial resources as well as capacity-building and the transfer of environmentally sound technologies to developing countries on favourable terms.”⁶⁹ To this end, it is believed that the TOSSD measurement framework would promote increased transparency about the impact of numerous actors and their financial flows. Also, sharing of information and experiences of various stakeholders would lead to enhanced understanding with regard to “good practice among developing countries about accessing and combining resources most effectively... [and] how and to what extent the international community is

addressing global challenges.”⁷⁰ In the long run, the TOSSD framework could play an essential role in promoting “informed policy discussions about the quality and impact of development finance.”⁷¹ Consequently, stakeholders in developing countries and in the developed world would have a clear picture related to overall financial flows as well as about resources available for each country and each sector. It would eventually lead to better planning and allocation of resources where these are needed the most for achieving the SDGs.

Increased funding for climate change: An additional form of development cooperation

The 2030 Agenda is comprehensive and holistic in scope focusing on people, planet, and prosperity. Unlike the MDGs, the environment has been a key component in the SDGs as SDG 12, 13, and 14 are specifically related to environmental sustainability and it has been reaffirmed to “conserve and sustainably use the oceans, seas and marine resources for sustainable development.”⁷² It has been asserted in the 2030 Agenda that intense and coordinated efforts will be made by all stakeholders to hold “the increase in global average temperature below 2 degrees Celsius, or 1.5 degrees Celsius above pre-industrial levels.”⁷³ In this context, the United Nations Climate Change Conference (COP21) held in Paris in December 2015, was a historic event where stakeholders vowed unprecedented commitment to managing climate change. At the forum, it was resolved to significantly increase efforts to address challenges caused by climate change. To this end, it was also decided by the international community to increase

funding for climate-related interventions. In the context of the United Nations Framework Convention on Climate Change (UNFCCC), developed countries committed to mobilise \$100 billion per year by 2020 under the Green Climate Fund (GSF) to assist developing countries in countering adverse effects of climate change.⁷⁴ Thus, alongside the initiatives discussed earlier, developing countries would have access to this additional financial resource to tap into and make progress towards achieving the SDGs, particularly those related to environment and climate change.

Conclusion: Lessons learnt and future directions for implementing the 2030 Agenda

Two key lessons can be learnt from the journey towards the SDGs. First, from a somewhat cynical perspective, it can be said that the replacement of the MDGs by SDGs is the continuation of the same process. It is a justification of the existence of a vast international development bureaucracy and architecture. For example, more than two-and-a-half decades back, Hancock had stated that “more than 80% of all the money passing through the UN system is spent on its 50,000 staff.”⁷⁵ One can imagine that the development industry has expanded enormously at the global level since then, as Lumsdaine asserted more than 20 years ago that it consisted of “half a trillion dollars, a score of donor countries, many international agencies and 120 recipient countries.”⁷⁶ To quote Hancock again, “Over almost fifty years they should have dealt systematically with the problems they were established to solve, closed up shop and stopped spending tax-payers money.”⁷⁷ Hence, there is immense criticism on the overall

role of development cooperation in global poverty eradication.

It is commonly argued that despite being in practice for decades, development cooperation has failed to achieve what it had intended to do. Second and an optimistic perspective is that there are people and organisations working honestly and dreaming for a better world: a world with less poverty and more prosperity for the people of this planet. However, to achieve the vision of a world free of poverty, the developed as well as the developing world needs to do a lot more to accomplish the highly ambitious targets and goals specified under the SDGs. Implementing the global 2030 Development Agenda is a joint responsibility of all UN member states both developed and developing nations. On the part of the former, it is vital to fulfilling their aid commitments both in terms of quantity as well as quality. Regarding quantitative increase, aid donors need to achieve the internationally agreed target of 0.7 percent of their GNI. If accomplished, it would markedly increase the overall aid levels: up to around \$400 billion from its current value of over \$130 billion. In relation to increasing the quality and impact of development cooperation, it is essential for aid-providers to allocate aid where it is needed the most and where it can make a real impact on the lives of the poor. To this end, the internationally agreed principles of the 2005 Paris Accord and the 2011 Busan Partnership for Effective Development Cooperation can be very helpful and both providers and receivers of development cooperation need to revisit existing aid policies and practices and reform them in the light of these principles. Also, while the international donor community is there to support, it is the primary

responsibility of developing countries to put their house in order with regard to improving governance and controlling corruption. The 2030 Agenda's Global Partnership for Effective Development Cooperation is a right step and both developed and developing countries need to forge mutually beneficial partnerships and learn from past experiences regarding effective delivery and utilisation of development cooperation.

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