



Focus Session on Development  
Promoting OECD Instruments and Policy Advice  
in the UN-led Post-2015 Development Agenda

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# I. The UN Post-2015 Development Agenda

# What is the UN Post-2015 Development Agenda?

- The **Millennium Development Goals (MDGs)** will expire in 2015
- **Sustainable Development Goals (SDGs)** will be agreed upon by governments in September 2015 in the UN General Assembly.
- Countries have already agreed on a **first draft** that will be the basis for the agreement next year (OWG OD).

# The Sustainable Development Goals

## State of Affairs

- 17 Goals, 169 Targets
- Universal, applicable to all countries
- Broader, more ambitious than the MDGs
- Three dimensions of sustainability: Social, Economic, Environmental
- A wide range of topics covered
- All actors (incl. private sector) invited to contribute

# The 17 proposed goals

1. **End poverty in all its forms everywhere**
2. End hunger, **achieve food security** and adequate nutrition for all, and promote sustainable agriculture
3. Attain **healthy life** for all at all ages
4. Provide equitable and inclusive quality **education** and life-long learning opportunities for all
5. Attain **gender** equality, empower women and girls everywhere
6. Secure **water and sanitation** for all for a sustainable world
7. Ensure access to affordable, sustainable, and reliable modern **energy** services for all
8. Promote strong, inclusive and sustainable economic **growth** and decent work for all
9. Promote sustainable **industrialization**
10. Reduce **inequality** within and among countries
11. Build inclusive, safe and sustainable **cities** and human settlements
12. Promote sustainable **consumption and production** patterns
13. Promote actions at all levels to address **climate change**
14. Attain conservation and sustainable use of **marine resources, oceans and seas**
15. Protect and restore terrestrial **ecosystems** and halt all **biodiversity** loss
16. Achieve **peaceful and inclusive societies, rule of law, effective and capable institutions**
17. Strengthen and enhance the **means of implementation** and global partnership for sustainable development

# Means of implementation of interest for the private sector

- **Re goal 17: Strengthen the means of implementation and revitalize the global partnership for sustainable development**
  - 17.1 strengthen domestic resource mobilization, including through international support to developing countries to improve domestic capacity for tax and other revenue collection
  - 17.3 mobilize additional financial resources for developing countries from multiple sources
  - 17.6 enhance North-South, South-South and triangular regional and international cooperation on and access to science, technology and innovation, and enhance knowledge sharing on mutually agreed terms, including through improved coordination among existing mechanisms, particularly at UN level, and through a global technology facilitation mechanism when agreed
  - 17.7 promote development, transfer, dissemination and diffusion of environmentally sound technologies to developing countries on favourable terms, including on concessional and preferential terms, as mutually agreed
  - 17.16 enhance the global partnership for sustainable development complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technologies and financial resources to support the achievement of sustainable development goals in all countries, particularly developing countries
  - 17.17 encourage and promote effective public, public-private, and civil society partnerships, building on the experience and resourcing strategies of partnerships
- **Re goal 1: End poverty in all its forms**
  - 1.a ensure significant mobilization of resources from a variety of sources (...) to implement programmes and policies to end poverty in all its forms.
- **Re goal 2: End hunger, achieve food security and adequate nutrition for all, and promote sustainable agriculture**
  - 2.a increase investment, including through enhanced international cooperation, in rural infrastructure, agricultural research and extension services, technology development, and plant and livestock gene banks to enhance agricultural productive capacity in developing countries

# Means of implementation of interest for the private sector

- **Re goal 3: Attain healthy life for all at all ages**
  - 3.b support research and development of vaccines and medicines for the communicable and non-communicable diseases that primarily affect developing countries
- **Re goal 5: Attain gender equality, empower women and girls everywhere**
  - 5.b enhance the use of enabling technologies, in particular ICT, to promote women's empowerment
- **Re goal 7: Ensure access to affordable, sustainable, and reliable modern energy services for all**
  - 7.a enhance international cooperation to facilitate developing countries' access to clean energy technologies, including through appropriate partnerships
- **Re goal 8: Promote sustained, inclusive and sustainable economic growth and decent work for all**
  - 8.b by 2020 develop and operationalize a global strategy for youth employment and implement the ILO Global Jobs Pact
- **Re goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation**
  - 9.a facilitate sustainable and resilient infrastructure development in developing countries through enhanced financial, technological and technical support to African countries, LDCs, LLDCs and SIDS
- **Re goal 10: Reduce inequality within and among countries**
  - 10.b encourage ODA and financial flows, including foreign direct investment, to states where the need is greatest, in particular LDCs, African countries, SIDS, and LLDCs, in accordance with their national plans and programmes
- **Re goal 11: Make cities and human settlements inclusive, safe, resilient and sustainable**
  - 11.c support least developed countries, including through financial and technical assistance, for sustainable and resilient buildings utilizing local materials
- **Re goal 12: Ensure sustainable consumption and production patterns**
  - 12.a support developing countries to strengthen their scientific and technological capacities to move towards more sustainable patterns of consumption and production.

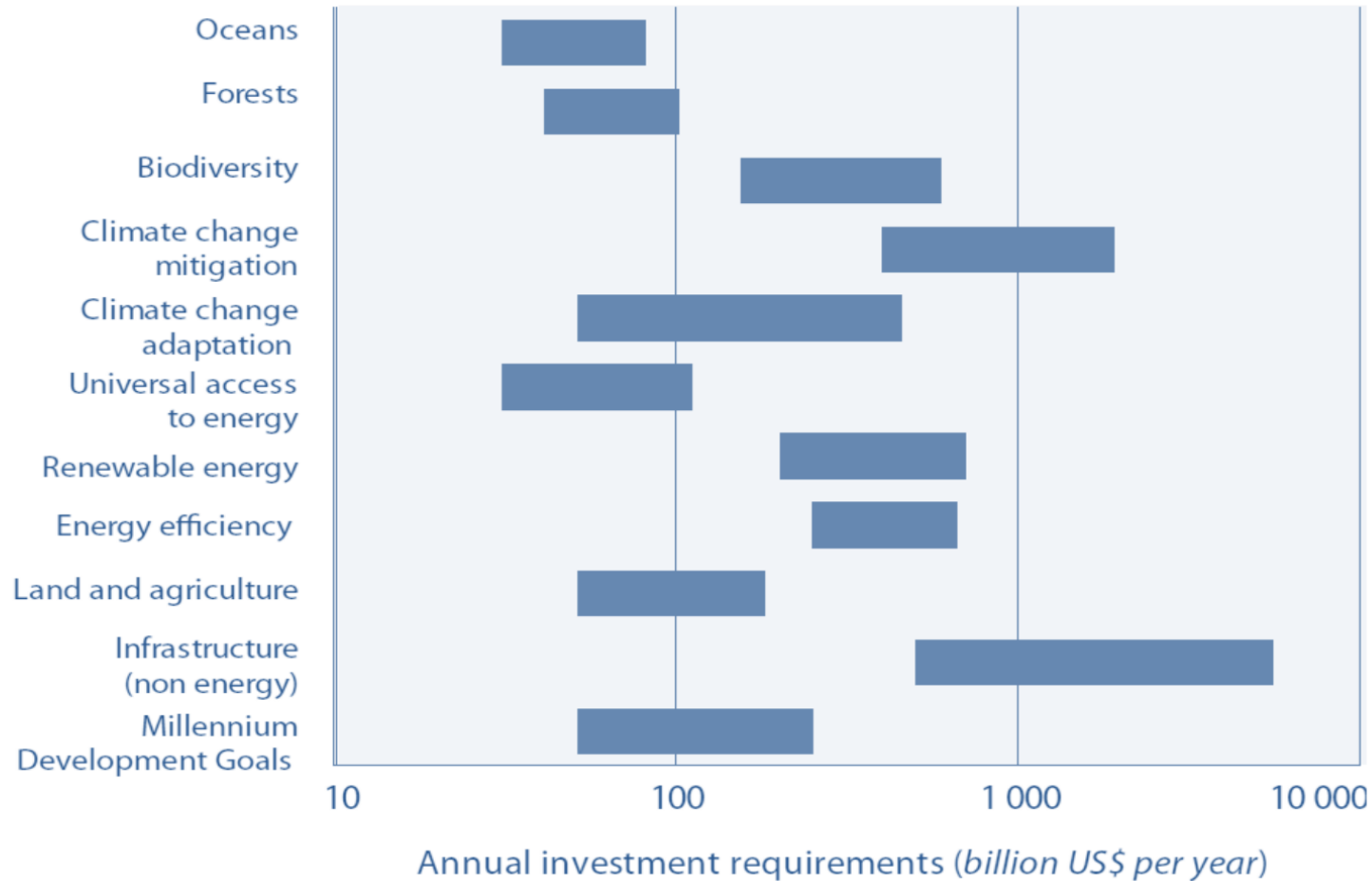


## **II. Business Contributions to the SDGs**

# Key Economic Challenges

- **Job creation:** Over 670 mio. jobs need to be created in next 15 years globally
- **Infrastructure:** Annual shortfall in global infrastructure investment is at least 1 trillion USD/year
- Meeting **energy needs** sustainably: 2.4 trillion/year until 2035
- Unmet need for **credit by all micro and SMEs** in developing countries in 2010: 2.1-2.5 trillion/year

# Investment needs per year



Source: Report of the UN  
Intergovernmental Committee of Experts  
on Sustainable Development Finance

# Business in development

Businesses are already a crucial driver of development:

- On average 60% of GDP in developing countries are contributed by the private sector
  - 80 % of total international flows come from private sources
  - Tax revenues in African countries: 527.3 bn or 10\*ODA
- Government and Business have complementary responsibilities

# How to mobilize business for the SDGs?

1. Better **cooperation and coordination**:
  - The Global Partnership for Effective Development Cooperation
  - Specific sector or SDG partnerships
2. Developing and developed countries must create **enabling environments for business**
3. **Businesses need to engage** stronger in development

# Potential business contributions

- Integrate Sustainable Development into business and contribute to national SDG implementation plans.
- Engage in transformational multi-actor partnerships (GPEDC and others).
- Invest in the rights areas (in health, education, water & sanitation, energy, transport, ICT, other infrastructure, insurance systems etc.) and in the right way (responsible investment that underpins inclusive growth) and aim for broad-based impact.
- Provide access to new, especially green technologies.
- Include the whole value chain and allow developing countries to climb up the ladder.
- Pay taxes. Move away from tax havens. Revisit tax holidays. Avoid BEPS.
- Reduce use of fossil fuels, accept / prepare for paying a price for carbon emissions and/or other green taxes.
- Establish SDG monitoring and reporting systems.

### **III. The OECD as supporting actor**

# The OECD as supporting actor

- The OECD is an International Organization, not a UN Member State, so not a main, but only a “supporting actor”
- The OECD has a number of areas of expertise which could play an important role in shaping the agenda and the framework
- We provide input through:
  - Evidence based policy advice
  - Monitoring
  - Coordination
- Two specific OECD products: the “OECD Post-2015 Reflections” & the “Development Cooperation Report 2014”



# The OECD Post-2015 Reflections Series

- Contains 14 papers on:
  - Multidimensional poverty
  - Education
  - Gender equality
  - The integration of sustainability into development
  - Statistical requirements
  - Effective institutions (EIP)
  - Peace, conflict & fragility
  - Policy coherence for sustainable development
  - Knowledge-sharing (KSA)
  - Effective development co-operation (GPEDC)
  - Measuring and monitoring external finance
  - Strengthening tax systems to mobilize domestic resources
- <http://www.oecd.org/dac/post-2015.htm>

OECD → POST-2015

# The Development Cooperation Report 2014

- The DCR 2014 provides an overview over the sources of finance available for sustainable development. proposes recommendations on how to mobilize further resources by smart use of ODA



# Smart use of ODA

DCR 2014 proposes to use Official Development Assistance in a more catalytic way:

- Providing crucial funds and backing for fragile and LDCs
- Making investments attractive (via blending, guarantees and risk mitigation)
- Helping to raise and manage domestic resources mobilization (tax collection systems)
- Creation of positive development environment through policy reform in areas such as an investment and trade
- Combatting illicit financial flows
- For more recommendations and details see the DCR 2014 at: [www.oecd.org/dac/dcr2014.htm](http://www.oecd.org/dac/dcr2014.htm)

# Other Sources of Finance and Financial Instruments

- OOF to leverage other resources (especially via loans, guarantees etc.)
- Foreign Direct Investment (FDI) represents by far the biggest international capital flow to developing countries (see OECD Policy Framework for Investment and OECD Guidance for Investment in Clean Energy Infrastructure).
- The fight against illicit financial flows (IFFs) as well as base erosion and profit shifting (BEPS) has to be intensified (see OECD Anti-Bribery Convention, see OECD Guidelines for Multinational Enterprises and the OECD Global Forum on Responsible Business Conduct, see OECD work in the area of due diligence in mineral supply chains, see OECD BEPS Action Plan and OECD Tax Inspectors Without Borders).
- Institutional investors such as large pension funds are an almost untapped source for development finance.
- Remittances play an increasingly important role and should be facilitated.

# Conclusions

- 75% of the economy world wide is run by the private sector, 70% of public resources are raised from private sector: the private sector plays a very important role.
- Poor health, lack of education, environmental degradation and climate change all inhibit growth and prosperity. Business cannot succeed in societies and environments that fail.
- SDGs not necessarily a question of burden sharing, but plenty of interesting investment opportunities.
- The challenges ahead are common challenges: North and South, public and private.

# Opening Questions

- What needs to be done to get the private sector more involved?
- What are your ideas how to mobilize private sector involvement and contributions?

# The DAC and the Development Co-operation Directorate

**For more information**  
[www.oecd.org/dac](http://www.oecd.org/dac)