

BACKGROUND PAPER 1

A Transformative Post-2015 Development Agenda

Some key concepts and an evaluative checklist for assessing targets and goals

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IRF2015 is a collaboration of 11 leading research institutes from across the globe that responds to the need for independent, rigorous and timely analysis to inform the evolution of the post-2015 development agenda and the concurrent intergovernmental process on Sustainable Development Goals (SDGs) agreed to at Rio+20. IRF2015 partners envision a post-2015 development agenda that is universal in scope, takes an integrated approach to the economic, social and environmental dimensions of global development challenges, and can lead to more sustainable and equitable development outcomes for all.

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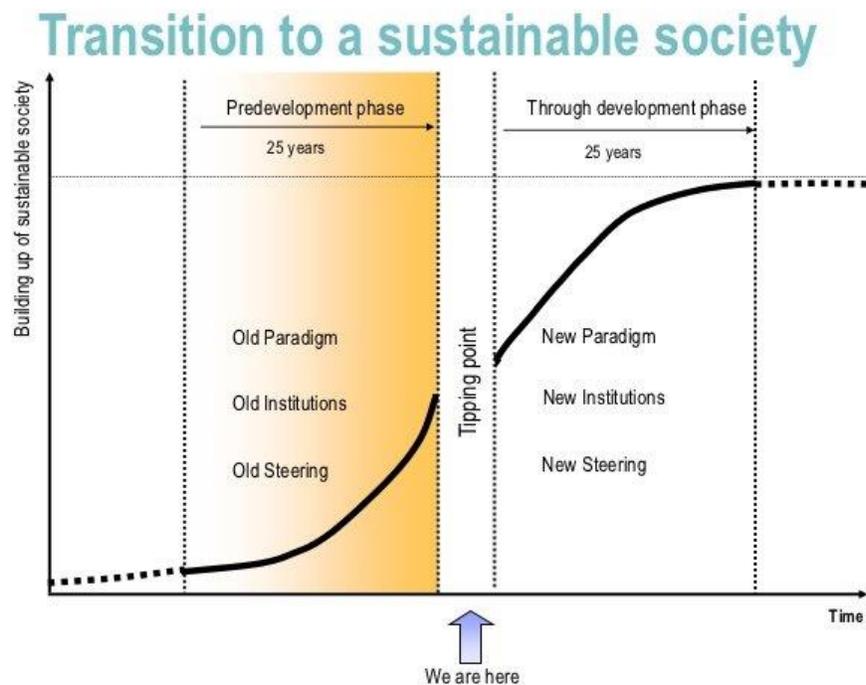
“Today, more than at any other time, we have an opportunity to transform our world; to pursue an agenda that will eradicate poverty while at the same time sustaining nature to secure natural resources for future generations. The solutions of yesterday may not apply to today’s challenges, so we must muscle the courage to take bold steps. I therefore call upon this assembly to reflect on the emerging challenges we face, to boldly seize new opportunities, and to commit ourselves to a new global partnership that promotes economic and social transformations for an inclusive and shared prosperity for all.”

– President Ellen Johnson Sirleaf of Liberia addressing the UN General Assembly (2013)

1. Introduction

The world faces an enormous challenge: how to lift more than one billion people out of extreme poverty and meet the livelihood and resource needs of a projected nine billion people in 2050, while keeping climate change, biodiversity loss and other impacts within acceptable limits? Recognizing the scale of this challenge, governments have introduced the need for ‘*transformation*’ into the post-2015 development agenda debate. This reflects the belief that the kind of change the post-2015 goals need to deliver is of a different order than is currently being achieved—that a ‘*business-as-usual*’ (incremental) approach to improving development outcomes is insufficient in today’s increasingly complex and interconnected world.

Transformation implies fundamental change—a reappraisal of the basic assumptions and building blocks that underpin current approaches to growth and development. The post-2015 development agenda offers an opportunity to redefine development and how to achieve it. That is, to identify what we will do *more*, *different*, and/or *better* between 2015 and 2030 “to address remaining gaps in the implementation of the outcomes of the major summits on sustainable development, to address new and emerging challenges and to seize new opportunities ... supported, as appropriate, through provision of means of implementation”.¹ The long-term aim of such an agenda is a transformation in societies, economies and systems of governance that achieves inclusive and sustainable development.



This paper highlights transformative shifts needed to overcome the structural barriers to poverty eradication and sustainable development, and outlines some key concepts for assessing the transformative potential of post-2015 goals and targets.

2. Transformations for the post-2015 agenda

Systemic transformation needs to happen at the level of both ends (development outcomes) and means (identifying risks; addressing root causes; and accelerating key drivers of change for inclusive and sustainable development).² It is about transforming existing structures (physical and economic infrastructure), culture (collective set of values, norms, paradigms) and practices (behaviors, implementation modalities). Major transitions have happened before in history—for example, the shift from extensive to more intensive agriculture, or the transition from a largely industrial-based to a service and knowledge-based global economy.³ However, such transformative shifts do not happen spontaneously—they need to be managed and grounded in innovation, learning and a shared vision of the future.

Four transformations for a post-2015 agenda are highlighted below. These transformations are universal—applying to all countries while recognizing differentiated responsibilities according to each country’s development context and capabilities. These transformations also are overlapping and strongly interdependent. Taken together, they comprise a vision for achieving inclusive and sustainable development for all.

Transformation in social systems: Overcoming poverty and inequality ('Leave no one behind')

The Rio+20 Outcome Document places poverty eradication as an overriding priority and a necessary condition for inclusive and sustainable development. Transformation in this sense means ensuring that the poorest and most marginalized benefit from the gains of economic growth and expanded access to social services. The multi-dimensional nature of poverty necessitates an integrated approach to poverty eradication in the post-2015 agenda, focusing on inter-linkages across goals and targets.

Rising inequality is considered a major global risk in the transition towards inclusive and sustainable development. The post-2015 agenda must ensure that every individual has access to basic goods, services and opportunities irrespective of gender, ethnicity, disability, race, geographic location or other factors. To fulfill a commitment to “leaving no one behind,” there is a need to acknowledge that progress toward poverty eradication will become progressively more difficult and challenging in areas of chronic and deeply entrenched poverty, and will require comprehensive and sustained efforts.

Living up to this aim will require both targeted as well as structural changes at national level. At the international level, it translates into a shared obligation to maintain and preserve the global commons as well as changes to the governance of global public goods, understanding the need for differentiation in terms of sharing the burden of responsibility. The agenda also must tackle inter-generational equity, which must be at the core of all efforts to deliver sustainable growth and development.

Transformation in economic systems: Achieving inclusive and green growth

Transformation in economic growth processes has been proposed as one of the core aims of the post-2015 agenda. This can mean both *achieving transformative economic growth* and *transforming economic activity*. It also means moving beyond GDP by recognizing other indices for well-being (Genuine Progress Index, Gross National Happiness, Index of Social and Economic Welfare, Multidimensional Poverty Index amongst others).

Transformative growth is economic growth that takes people out of poverty, creating jobs and opportunity, and enabling the provision of health and education services by harnessing innovation, technology and the potential of business. The goal framework must promote and advocate for a commitment to rapid, equitable growth—not growth at any cost or just short-term spurts in growth, but sustained, long-term inclusive growth that can overcome the challenges of unemployment (especially youth unemployment), resource scarcity and – perhaps the biggest challenge of all – adaptation to climate change.

Transformation of economic activity means increasing the productivity of assets and labor, and maintaining higher levels of productivity, so that everyone can earn enough for a secure and dignified life.

The transition towards greener growth calls for investing in innovations that decouple natural resource use from economic growth in ways that reduce the resource and carbon footprints of economic activity. Such transitions can facilitate creation of local economies and wealth by enabling capacity building and empowering local institutions, but will only maximize social and environmental outcomes if they are inherently inclusive and compatible with the sustainability of natural resources and ecosystem services.

Transformation in ecological systems: Ensuring sustainability and resilience

Continued well-being of humanity, and robustness of a functioning economy and society, ultimately depend upon responsible management of the planet's finite natural resources and ecosystems. A transformative post-2015 agenda should ensure that economic growth does not degrade the environment.

The goals should aim to reduce the unsustainable use of natural resources, including water, soils, forests and fossil fuels. At a national level, this requires strategies to manage, conserve and restore key natural resources, and fiscal policies that ensure benefits are equitably shared. It also requires an incentive framework to encourage investments in new, more sustainable technologies, including through strict sustainability requirements for public investment programmes. The private sector will be the driving force towards more sustainable, clean production, including through the power of national, regional and global supply chains.

Climate change poses massive and possibly still unknown challenges to development trajectories and planetary systems. While encouraging transitions to lower-carbon economies, the new agenda needs to provide for dedicated efforts to enhance climate resilience and adaptation at all levels. Communities and economies must be better prepared to deal with both territorial and sectoral impacts as well as slow-onset events.

Transformation in governance systems: Building transparent, accountable and participatory institutions

Underlying all the discussions around the Post-2015 agenda is the need for transformation in governance structures to catalyze and sustain transformative change in other areas. Transformative governance and institutional arrangements means increasing the accountability of decision-making and policies and adopting a cross-sectoral approach. The three components of improved governance structures are increasing participation, accountability and transparency. This is relevant for both public and private sectors. Inclusive institutional arrangements engage with a wide range of actors including youth, indigenous communities and civil society organizations.

3. Assessing the transformative potential of targets and goals

For irreversible poverty eradication, the set of goals within the post 2015 Development Agenda must lead to the four systemic transformational shifts mentioned above. Which policy actions will incentivize such shifts, and how do we check whether the goal framework is transformational?

Based on the schematic ‘division of labor’ between goals, targets and indicators⁴, targets indicate the domains of action needed to achieve the goals.

	Primary objective	What it does
Goal	Aspirational	Inspires politicians, parliaments, public, private sector, and press to act
Target	Action	Indicates action required to achieve the aspiration
Indicator	Accountability for results	Assesses progress

To identify whether a goal has the potential to be transformative, its supporting actions must lead to transformation. Targets, therefore, are the most suitable level to assess whether the post-2015 development agenda is truly “transformational.” Thus, it is important to focus on identifying whether the targets lead to policy and other actions that are *better, more and/or different* than before.

When assessing the transformational potential of targets and goals, it is important that “transformation” does not necessarily always mean a radical policy change from the past. Policy transformation can happen at three distinct levels.

Type of transformation	What it does
Policy conversion – Doing it Better	The improvement of existing policies <u>Examples:</u> <ul style="list-style-type: none"> • targets that build on MDG ambition and in 2030 aims to “get to zero” • targets that strive for a similar outcome, but using a different strategy, such as new partners in implementation (private sector, finance sector, CSO)
Policy creation – Doing More	The development of new policies <u>Examples:</u> <ul style="list-style-type: none"> • targets dealing with a new / additional issues compared to the MDG agenda, such as new environmental dimensions (global water scarcity, impact of climate change, pollution) • target dealing with demographic shifts (population growth, demographic dividend, urbanization, population pyramid (youth + aging))
Policy connection – Doing Different Things	The development of a conceptual link between phenomena previously thought unconnected or connected in a different way <u>Examples:</u> <ul style="list-style-type: none"> • targets dealing with the policy implications of interlinkages between goal areas (example: water in health/energy/agriculture/manufacturing) • targets dealing with the policy implications of universality (such as SCP)

There are thus targets that do not change much either in structure, approach or implementing partners, and that are relatively untouched by universality. For example, under a possible goal of Universal Primary Education, several targets relate to “getting to zero” and finalizing the “unfinished business”. Substantively, this means scaling up investments in primary education, with particular attention to girls – which is not a significant deviation from policies in the past. Here we must find what the levers for acceleration (to get to zero) are, and identify risks so the outcome is irreversible.

The answer to the question “is the policy action implied in this target transformational” (More, Better, Different) may thus not always imply a radical shift of major policy change from the past. It is important to highlight that this does not imply a value judgment. Rather, it implies we were on the right track. However, Rio+20 concluded that a mere continuation of the MDG agenda and its policies would not lead to a sustainable, prosperous future for all. Therefore, a future-fit post-2015 development agenda must include significant components of ‘Doing it Better’ and ‘Doing it Differently’.

4. An evaluative checklist for transformational targets

Ultimately, whether and to what degree the post-2015 agenda is transformational will depend on specific national and local contexts and circumstances. As development baselines vary greatly between countries, there is no “one size fits all.” However, as this is a shared global agenda, the expectation is that if all countries implement changes in accordance with their national circumstances and priorities—at both national and global levels—the sum will be far greater than the parts, and our globalized societies and economies will be set on new trajectories that will be more equitable, more resilient and more sustainable.

Key elements in achieving a truly transformational post-2015 development agenda include: universality; addressing root causes and drivers of change; adopting more integrated approaches to policy, planning and investment that link the social, economic and environmental dimensions of sustainable development; and identifying the potential for critical trade-offs and synergies.

Key questions:

- Is the **issue** transformational?
 - Does this target address new/additional challenges that were not on our radar screen 15 years ago?
 - Does it address the challenges we will face in 2030? With these policy actions, is this agenda not just forward-looking and different than MDGs, but also future-fit?
 - What is the magnitude of the risk we are dealing with, and who faces that risk? In other words, what will happen if we do (all) not act?
 - Is this policy action a condition sine qua non to eradicate poverty/build prosperity?
 - Does this target help to address ‘hard to solve’ pockets of extreme poverty within countries (disparities between regions, ethnic groups, gender etc)
 - Does this target contain actions towards ending inequalities in its multiple dimensions and at all levels (universality)
 - With this target, are we taking policy action to avoid new environmental dimensions (such as global water scarcity, impact of climate change, pollution issues) will impede or even reverse socio-economic progress?
 - Will this target yield more societal stability, absence of violence, peace and security

- Is the **policy action** implied in this target transformative? Will it lead to a transformative **impact** in society? In other words, we are aiming for a real stretch target that is still not inconceivable?
 - Is this target about doing better (policy conversion), doing more (policy creation) or doing things differently (policy connection). Is all potential for policy innovation unlocked?
 - When assessing the transformational potential of a goal area, it is important to look at individual targets, but also at the totality of the targets under each goal: is there an adequate balance between Policy Conversion, Policy Creation and Policy Connection?

- Is the **strategy** transformational?
 - Does the policy action address the root causes of the sustainability challenge?
 - Does this target imply actions by different partners than is currently the case – either within the government (whole-of-government approach), within society (private sector, CSO)?
 - Does this target reflect the necessary policy buy-in at global level (universality dimension)?
 - Does this target address the three dimensions of sustainable development in an integrated way? Can this target be used in different goals areas, thus reducing the burden of data collection in developing countries, yet spurring policy action where needed
 - Does this target help to foster transparency and accountability, including through new metrics towards progress (GDP+ accounting at national level, integrated reporting at level of companies, GHG accounting at all levels)
 - Does this target support capacity building and working in partnership(s) at all levels

- Is the **means of implementation** transformative? [note: this important issue will be addressed in a subsequent retreat]

Endnotes

¹ “The future we want”, Outcome Document Rio+20, para 104

² See among others the High Level Panel report, which identified 5 transformative shifts, combining transformation in ends and means: (1) Leave no one behind; (2) Put sustainable development at the core; (3) Transform economies for jobs and inclusive growth; (4) Build peace and effective, open and accountable public institutions; (5) Forge a new global partnership

³ “Transitions to Sustainable Development. New Directions in the Study of Long Term Transformative Change”, John Grin, Jan Rotmans and Johan Schot, New York, 2010

⁴ “From Solidarity to Universality, How Global Interdependence impacts on the Post 2015 Development Agenda”, by Kitty van der Heijden, Andrew Scott, Simon Hoiberg. Background Paper #1 for IRF Retreat February 2014