Statement by

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United Nations
The Current Development Context

These are challenging times for the international community and for all those whose choices and quality of life are being badly affected by poverty, marked inequality, conflict, insecurity, environmental degradation, and/or the spread of infectious disease — such as Ebola.

As the 2015 target date for achieving the Millennium Development Goals (MDGs) approaches, and as we reflect on the remarkable progress achieved on poverty reduction, improved drinking water sources, primary education, and health, we must not overlook the fact that many people — and even some whole countries — have been largely shut out of the overall development gains made.

Significant inequalities persist within and between countries. In a number of countries - developed and developing, income inequality has been on the rise. The richest eight per cent of the world’s population earns half of the world’s total income, while the remaining 92 per cent of people are left with the other half. Inequalities in income and wealth are often compounded by other inequalities, such as access to power and disparities in health and education. High levels of inequality are not only bad for economic growth, but they also make it more difficult to reduce poverty, and they limit people’s choices and the development progress of whole societies.

In many countries, development progress remains vulnerable to volatility and shocks which can sweep away development gains in a matter of months, weeks, or even days. We have significant human development setbacks in Syria, where the civil war is estimated to have taken close to 200,000 lives, generated more than three million refugees and 6.4 million internally displaced people, and inflicted immense destruction on livelihoods and infrastructure. In West-Africa Ebola’s socio-economic impacts are being felt nationwide and across all segments of society in the affected countries.

The world is still struggling to recover from the economic crisis of recent years, and overall levels of economic growth remain moderate. While developing countries as a whole will continue to contribute a
significant share of global growth, their rate of growth is generally lower than it was before the global financial crisis. That reduces development progress.

Country-specific constraints may include structural imbalances, infrastructure bottlenecks, increased financial risks, incoherent macroeconomic management, and geo-political and political tensions. The need for more effective global economic policy co-ordination has become an imperative against the backdrop of the fragile recovery and the range of downside risks.

The world population is forecast to increase from 7.2 billion in 2013 to 9.6 billion by 2050, and reach 11 billion by 2100. This growth is accompanied by high urbanization rates. To produce enough food to feed the growing world population without further eroding and depleting the nutrients in our earth’s soils will require a dramatic shift in modes of production.

Addressing the fragility, volatility, and rising inequality impacting on development requires fresh thinking. The challenge is not just to lift people out of poverty; it is to ensure that their escape is permanent. A prosperous, inclusive, and sustainable world can only be built if the challenges faced are well understood and their drivers are addressed through innovative solutions.

The importance of social inclusion

The World Bank’s Global Monitoring Report 2014/2015 argues that for development progress to be achievable and sustainable, economic growth must be accompanied by investments in people and their needs for education, health, and social protection services, and in environmental sustainability.

Creating jobs and livelihoods is central to advancing and sustaining human development. Beyond providing incomes, work is also about dignity and self-worth, and it serves as a foundation for social inclusion and for stable societies.

Current high global unemployment levels have showed little sign of easing up during the economic recovery. With more than 200 million people unemployed, it is estimated that the global economy would need to create 670 million jobs between 2015 and 2030 in order to absorb them and all those due to join the workforce in that period.

The outlook for youth unemployment is even more challenging. Youth unemployment rates are on average some three times higher than those for adults. In some countries, fifty per cent of youth looking for work cannot find it. Meanwhile, many of those who are employed are working in the informal sector. They account for more than ninety per cent of jobs in some developing countries. Informal work is typically insecure with unpredictable pay and hours, and with no worker protection. The World Bank’s efforts to help improve the investment climate of developing countries and strengthen the income-earning capacity of the bottom forty per cent of the population are important in tackling the global jobs challenge and in reducing poverty.
Comprehensive social protection systems should at a minimum provide a floor below which no one falls. They should be a platform for continuing to advance human development, and they are fundamental to fighting social exclusion.

Social protection can address the multiple dimensions of poverty and inequality and ensure that people have access to essential and good quality goods and services. It also has the potential to enhance human capacities, one of the key components of the World Bank’s shared prosperity agenda. In the absence of social protection, people just above the poverty line face increased risks of falling below it, or those in poverty face being trapped in it for generations.

Expanding social protection has proven to be challenging in many countries, particularly when crises divert funding towards other needs. According to the International Labour Organization (ILO), only about 27 per cent of the world’s population today enjoys comprehensive social protection. Fiscally sustainable social protection schemes, based on strong legal and regulatory frameworks, should be an integral component of development strategies to achieve sustainable development. The UN system advocates for comprehensive social protection floors in every country, and promotes integrated strategies to provide access to essential social services and income security for all.

In almost every country and region of the world, certain groups, including women, youth, ethnic minorities, and people with disabilities, face unequal prospects. Addressing the needs of such groups calls for anti-discrimination legislation, reforms to make education and other services and opportunities more inclusive, policies which direct resources to disadvantaged areas, and other deliberate measures to address the barriers these groups may be facing.

Addressing Climate Change

Addressing climate change and the degradation of natural resources is critical for poverty reduction and for the promotion of inclusive and sustainable development.

Last month at the UN Secretary-General’s Climate Summit in New York more than one hundred Heads of State and Government gathered, together with leaders from the private sector and civil society. Important pledges were made on the measures and resources needed to tackle climate change.

The Summit gave political momentum for reaching a meaningful climate agreement in Paris in 2015. It galvanized action to reduce emissions, and to build resilience to the adverse impacts of climate change. The Summit heard of funding commitments to support developing countries to mitigate and adapt to climate change, and of significant private sector actions. Some more support was expressed for the Green Climate Fund, with a total of $2.3 billion now pledged to it.

Now the pledges and commitments made at the Summit must be honoured. This is critical for especially vulnerable countries, including the Least Developed Countries and Small Island Developing States. Effective solutions and adequate resources are needed for reducing emissions and for building resilience to the impact of climate change.
The momentum generated by the Climate Summit now needs to be maintained through to the Lima COP negotiations in December this year, and to the talks in Paris which are timetabled to reach a new global agreement on climate change late next year.

The UN will continue its advocacy at the global level, and its work with countries as they adopt their own strategies for addressing climate change.

The Post 2015 Development Agenda

In the face of current crises and of the broader challenges caused by wide-spread poverty and climate change and other environmental degradation, the importance of agreeing on an ambitious post-2015 development agenda cannot be overstated.

In July, the General Assembly’s Open Working Group (OWG) on Sustainable Development Goals proposed a universal set of seventeen post-2015 goals to succeed the MDGs. The aim is to finish the job of the MDGs and move to eradicate poverty, reduce inequalities, combat environmental degradation and climate change, and build inclusive and peaceful societies.

Reducing inequalities has been on the fringes of development discourse for a long time, but to date there has been no comprehensive global agenda to tackle this. Post-2015 offers a unique opportunity to address these vital issues.

The OWG proposal has been officially presented to the 69th General Assembly, and will feed into the UN Secretary General’s Synthesis Report on the post-2015 debate so far. Both reports will be important reference points for the Member States’ negotiations. A Heads of State Summit to agree on the new development agenda is due to be held at the UN in New York in September next year.

Negotiations involving 193 Member States on these vital issues should aim to agree on concise, action-oriented, and measurable goals which will define the priorities of the international community for the next fifteen years.

Beginning in 2012, the UN has been facilitating global consultations, unprecedented in size, to enable people from all walks of life to share their priorities for the new agenda. People have come together in 88 national consultations from civil society, academia, and the public and private sectors to discuss important themes, including inequalities, governance, education, health, and the environment, among others. Through the global MY World on-line survey more than five million people have shared their priorities. The proposal of the Open Working Group reflects much of the public feedback on priorities for the new agenda, including the call to “leave no one behind”, which came from all corners of the world.

The first phase of the consultations focused largely on themes to be included in the agenda. Now the conversation is turning from the ‘what’ to the ‘how’ – the “means of implementation”.

The Third Financing for Development Conference to be held next July in Addis Ababa will be critical in defining how the post-2015 agenda can be financed. Implementation, however, will also rest on other
factors, including policy choices, experience sharing, knowledge & technology transfer, trade and investment, and the role of remittances.

A global agenda which focuses on effective implementation – including through participation, inclusion, and strengthened capacities and partnerships - can do justice to the aspirations and hopes of all those waiting for global development progress to touch their lives, and to the engaged citizens around the world who have shared their priorities and want to stay engaged and hold governments and other actors accountable for the commitments they make.

The Importance of UN and World Bank collaboration

Effective UN-World Bank collaboration in delivering on the post-2015 agenda will be needed. Already, we work together in a number of areas, but there are always opportunities to take our partnership further.

A key area of co-operation has been in accelerating progress on the MDGs. At the November 2012 meeting of the UN System Chief Executives Board for Coordination (CEB), the World Bank proposed that progress towards the acceleration of MDGs be reviewed every six months, and agreed that the UN development system’s MDG Acceleration Framework (MAF) should be used in-country. Since then, MDG Acceleration Action Plans for eleven countries encompassing a range of MDG targets have been discussed at the CEB. A very positive outcome has been improved country level co-ordination between UN Country Teams and the World Bank.

This experience is showing us how we can work well together across sectors and institutional mandates to achieve better human development outcomes. It will stand us in good stead as the next development agenda is implemented – an holistic sustainable development approach will require much closer collaboration between institutions and sectors. The United Nations looks forward to working with the World Bank towards that end.