Post-2015 Means of Implementation: What Are We Trying to Win?

***Alex Evans*[1]**

Introduction and summary

Until recently, 95% of the bandwidth for talking and thinking about the post-2015 agenda was focused on Goals and targets. Now that the Open Working Group (OWG) on the post-2015 agenda has reported, though, policymakers and opinion formers are starting to think more seriously about the 'how' as opposed to the 'what' – and what the overall political outcome on means of implementation (MOI) might look like by the end of next year.

For now, the discussion remains unfocused. OECD governments have yet to start setting out real offers on what additional action they are willing to take on MOI; many developing countries likewise have yet to set out what they want and are willing to do. Unless this changes, there is a risk that the soaring ambition of the OWG's Goals will not be matched by adequate action on the delivery side – a recipe for disillusionment or acrimony.

If high ambition governments and their allies in civil society and elsewhere want to use their political capital to full effect, they need to rally around a small number of political objectives – particularly as they approach a range of key summit meetings due to take place over the next eighteen months, especially:

- The OECD Development Assistance Committee's high level meeting in December 2014, which is due to look at a new framework for reporting on aid flows;
- The 2015 G7/G8 summit (due to be held in Germany on 4-5 June);
- The Financing For Development Summit due to be held in Addis Ababa in July;
- The 2015 UN General Assembly's general debate in September, where the final decision on Sustainable Development Goals is likely to be taken;
- The G20 in Turkey (dates to be confirmed);
- The COP21 climate summit in Paris in December; and
- The WTO's next Ministerial meeting, also due to take place in December.

This note aims to help start the ball rolling by setting out a 'straw man' of possible elements of a stretching but feasible international political deal on MOI, plus a longer menu of other potential policy options, all of which are intended to be stretching but also potentially winnable in the current political context.

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Ten elements of a potential political deal on MOI

1. **More aid and climate finance** – including more donors setting timetables for spending 0.7% of national income on aid, and developed countries making good on their pledges to the Green Climate Fund. A top priority for the G77.

2. **Better targeting of concessional aid at least developed countries** – for example, by OECD countries spending 50% of total aid flows to LDCs, or alternatively making good on their commitment to spend 0.15% of national income on them.

3. **Better targeting of public spending in countries at least developed households** – with all governments committing a percentage of their budgets to the poorest sections of society, whether via social protection, healthcare, education, or other areas.

4. **Improving domestic resource mobilisation in developing countries** – both through pledges by developing countries to quantified improvements in tax collection and other resource mobilisation, and through donors spending more aid on tax administration.

5. **More action on tax avoidance and illicit flows** – building on progress in the G8 and G20 with automatic bilateral exchange of tax information, all global companies reporting on revenues and tax by country, more transparency on company ownership, full global rollout of the Extractives Industry Transparency Initiative, and a global partnership on stolen asset recovery.

6. **More developing country capacity to get the most from foreign direct investment** (FDI) - building up low and lower middle income country capacity to negotiate complex infrastructure and extractives deals, expanding the pipeline of 'bankable projects', and major increases in funding for financing designed to 'lever in' private sector investment.

7. **OECD DAC-style statistics for *all* finance for development** – while DAC statistics are a key go-to resource on aid, there is no equivalent that covers wider FFD, including FDI, commercial debt, remittances, philanthropic flows, and new donors. This could also include a registry of private sector partnership pledges to improve accountability,.

8. **A least developed country-focused trade package at the 2015 WTO Ministerial** – which could include full duty-free / quota-free (DFQF) access for LDC exports, progress on non-tariff barriers including rules of origin, aid for trade, and reduction or elimination of OECD cotton subsidies.

9. **Sustainable consumption and production (SCP) route maps for developed and upper middle income countries** – which would set out nationally owned SCP objectives together with policies and action plans for achieving them, and potentially including a monitoring or peer review mechanism.

10. **A quick start package of actions to transform the life chances of children born in 2015.** The children who will come of age just after 2030, the SDGs' deadline, are about to be born. Immediate interventions are needed to shape their early years – in nutrition, education, healthcare, and many other areas. The final element of this deal would be to identify the Goals and targets in the OWG most relevant to them and where there is no time to lose, and draw up a quick start package of immediate actions for them.

Will it be enough?

While these actions – and those in the longer list of alternative policy options – pass the test of being stretching but feasible, it is hard to argue that they are commensurate with the ambition of the Goals and targets outlined by the OWG. If the world is serious about 'getting to zero' on poverty by 2030, then three key front lines for development will be fragile states (and parts of states), inclusive growth in middle income countries, and transboundary risks, above all those to do with unsustainable consumption patterns.

These challenges have much in common. None of them was well covered in the MDGs; all of them will be crucial for eradicating the second half of poverty; none of them has an established 'playbook' for how to address them; all of them involve messy, political, long-term processes of structural change; and while each requires international spending, none is primarily about aid.

Instead, tackling challenges of this scale will involve developed countries – and, increasingly, upper middle income countries – going much further in aligning their domestic policies with three constituencies seldom heard from in domestic political debate: the world's poor, future generations, and species other than humans.

For now, it is impossible to think very far along these lines while remaining within the bounds of what is currently politically realistic. But the paper observes that it is worth thinking along these lines anyway, for two reasons:

- First, because as well as thinking about what's *possible*, we also need to focus on what's *necessary* to deliver the hugely ambitious agenda that we have spent the last year constructing – even if this will often take the form of speculative what-if questioning rather than concrete policy proposals.

- Second, because even if the political space for genuinely transformative thinking is largely closed for now, there is nonetheless considerable potential for shocks (economic, social, and environmental) to create such space, often just for a brief moment – but *only* if policy options that can use such moments' transformational potential are ready and waiting 'on the shelf' ahead of time.

With these considerations in mind, the paper ends with a different kind of straw man: seven examples of the sort of big picture areas that we might be thinking about if we were really serious about eradicating poverty and shifting to a sustainable and inclusive globalisation in our political lifetimes.

This version of the paper is intended as a working draft to help stimulate discussion of the MOI agenda, and will be followed with a final version in due course. In the meantime, comments and feedback are very welcome – on what the 'straw man' gets right and wrong, on options missing from the long list, on the list of potential 'big ideas' in the conclusion, and above all on ways of taking the highest potential ideas to the next level of specificity in the short space of time that we have available before 2015's key political milestones.

A straw man: 10 potential elements of an MOI deal

<table>
<tr><th>Ask</th><th>Why (+) / Why not (-)</th></tr>
<tr><td>1. More aid and climate finance.
E.g. x more developed countries to set timetables for spending 0.7% of gross national income on aid. (Net ODA for OECD donors in 2013 was instead 0.3%
Developed countries to make good on climate finance pledges to Green Climate Fund (only a fraction of the $100bn by 2020 that heads of government promised in 2010 has so far materialised). GCF aims to raise $10 billion by end 2014.</td><td>+ The single thing G77 want most from OECD countries (at least in NYC-based discussions). Essential to keep the pressure up on this even if we privately think limited prospects of a major win.

- May not be winnable given current fiscal environment in EU, plus state of Congress in US (though no reason to let governments off the hook). 0.7% arguably out of date (though an updated costing would probably be higher, especially with climate factored in), and has been repeated so often without actually being achieved that risks becoming meaningless.</td></tr>
<tr><td>2. Better targeting of concessional aid at least developed countries.

E.g.:
50% of official development assistance to LDCs (current level is 32%)
OECD countries make good on Istanbul pledge of spending 0.15% of gross national income on LDCs (current level is 0.09%)
X number of countries commit to y% improvement in the proportion of ODA going to LDCs</td><td>+ Probably the front runner in terms of what can realistically be achieved on ODA.

- Harder call is what the specific ask should be:
Denmark, Finland, Ireland, Luxembourg, Netherlands, Norway, Sweden, UK all spend >0.15% GNI on LDCs. But 0.15% a big lift for the US (currently gives 0.19% GNI to ODA total, and only 0.07% to LDCs).
Practically no one spend 50% of ODA on LDCs (only Ireland, at 52%) – so a bigger lift for more countries. And 50% of what? – gross ODA / net ODA / total CPA / bilateral CPA?
As current ODA total 0.30% of OECD GNI, 50% of it would actually work out at 0.15% GNI to LDCs anyway – so if total aid rises, LDCs would get more than 0.15%</td></tr>
<tr><td>3. Better targeting of public spending in countries at least developed households.
All governments to undertake to commit x% of public spending towards the poorest y% of society – whether as social protection, healthcare, education, water and sanitation, etc.

(Precedent of a sort exists in African Union's 2003 Maputo Declaration, in which governments committed to spend at least 10% of government expenditure on agriculture.)</td><td>+ If international aid flows should be targeted at the poorest countries, then public spending in countries should be targeted at the poorest people – many of whom are socially excluded or struggle to make their voices heard politically. A crucial part of any agenda centred on leaving no one behind.

- Would come with some data challenges – e.g. disaggregating national healthcare spending by how much of it goes to the poorest households – but not insurmountable.</td></tr>
<tr><td>4. Improving domestic resource mobilisation in developing countries.
Developing country governments to pledge x% improvement in tax collection and other resource mobilisation.
Donors to support this by allocating (say) 5% of CPA to LDCs to tax administration (at present Only 1.7% of bilateral aid goes to tax institutions (OECD, 2005 data).</td><td>+ Potentially huge multiplier effects, especially from improving tax administration: Ngozi frequently cites research suggesting that $1 of ODA on this can generate $350 in increased revenue (though this may be based on a small data set). UNCTAD makes the point that expansion of 'fiscal space' directly supports country ownership.

- Potentially unlikely to be regarded as a big political win by G77.</td></tr>
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Ask	Why (+) / Why not (-)
5. More action on tax avoidance and illicit flows. E.g.: • Automatic bilateral exchange of tax information using standards currently being developed by OECD. • All multinational companies to report publicly on a country-by-country basis. G7 countries to make corporate tax reporting public, not just available to tax authorities. • Further progress than Lough Earne was able to achieve on beneficial ownership (i.e. transparency on who really owns companies). • Extractives Industry Transparency Initiative to be made universal, covering all countries, but also adapting and extending coverage to include oil and minerals production companies and commodity traders. • A new global partnership on stolen asset recovery.	**+** G8 at Lough Earne went better on this front than many expected. Potential to expand the agenda beyond G7/8, with some progress already at 2014 G20 Finance Ministers. A genuinely big deal in terms of potential development impact, in terms of both supporting domestic resource mobilisation (and hence country ownership), and addressing the exogenous threats to fragile states highlighted in the OWG's Goal 16. **-** Highly technical areas – can be hard to communicate outside of expert communities. May not be a key priority for least developed countries. Some extractives producing countries may oppose mandatory transparency.
6. More developing country capacity to get the most from foreign direct investment. E.g.: • Major push to build up LMIC and LIC capacity to negotiate complex deals with e.g. infrastructure or extractives MNCs • Expanding the project pipeline and addressing lack of 'bankable projects' – e.g. more funds / capacity for preparing projects, feasibility studies, national infrastructure strategies • Major increase in funding for financing facilities that can blend international public finance to lever in private sector – e.g. World Bank infrastructure facility as a model, or a new Global Infrastructure Hub • New platforms to allow institutional investors to bypass intermediaries and aggregate with others to invest in long-term sustainable development projects (c.f. ICESDF)	**+** Some of the biggest potential wins in FFD. Upper middle income countries show how much potential exists, but there's much to do to extend same opportunities to LMICs and LICs. Focusing specifically on investment brings a more tangible and harder-edged focus than much of the broader 'partnerships' agenda. **-** General atmosphere of mistrust about the private sector agenda. *Essential* to get communications right – underlining that this is about enabling developing country ownership of the private sector agenda (in the same way that PRSPs were about country ownership of where international donor funds were channelled).
7. OECD DAC-style statistics for *all* finance for development. OECD DAC aid stats are an essential go-to resource on aid – but there's no equivalent that covers the wider FFD waterfront including FDI, commercial debt, portfolio equity, remittances, philanthropic flows, and new donors. • IATI and recent G8 initiatives create window of opportunity to address this, potentially via an open tech platform. • Could also include a registry of commitments of private sector pledges of investment or other partnership actions, and drive greater accountability and follow-up.	**+** Would be a massively useful data resource, as well as making the point that FFD is now a far broader range of flows than just ODA. Would cost next to nothing. **-** Political challenge to get new donors to agree to their data being included – would need to be clear that having their data included would not constitute monitoring.

Ask	Why (+) / Why not (-)
8. An LDC-focused trade package at the 2015 WTO Ministerial. December 2015 sees first WTO ministerial since Bali in 2013 – which produced the first actual agreement in the WTO's 18 year history. An LDC-focused package could include: • Full duty-free / quota-free (DFQF) access – currently still 80% rather than the 97% as promised at Hong Kong ministerial in 2005 • Action on non-tariff barriers – e.g. rules of origin, sanitary and phytosanitary standards (SPS), technical barriers to trade (TBT) • Aid for trade – i.e. aid specifically targeted at productive sectors • Reduction or elimination of OECD subsidies on cotton – current high market prices make this politically easier	**+** Bali outcome was disappointing on LDC issues, despite the fact that development issues were one of three baskets. A potentially major win for LDCs that isn't just about aid. If no one expects much to happen on headline Doha round issues like agriculture, then this might open up space for more LDC focused issues. **-** Prospects for success at 2015 ministerial generally perceived to have dimmed markedly in wake of India's hard-line position on post-Bali negotiations.
9. Sustainable consumption and production route maps for developed and upper middle income countries. • SCP agenda suffers from lack of clarity, but OECD and upper middle income countries could make a start by undertaking to set out national route maps on (a) national SCP objectives and (b) policies and actions by 2030. • Potential to build in some kind of monitoring and/or peer review.	**+** Germany and France reportedly keen to get more serious about SCP in post-2015. While limited political space for a major breakthrough on SCP in OECD countries, *some* kind of MOI outcome is needed in this space, which would ideally leave scope to return to the same ground more substantively in future years. **-** Likely to be hugely difficult to win even this modest degree of progress, with particular opposition from developed countries including US, Australia, Canada.
10. A quick start package of actions to transform the life-chances of children born in 2015. Children born in 2015 will be about to come of age in 2030. More than anything, the post-2015 agenda is about them and their future. If we are really serious about transforming their life chances, then interventions in their early years – in nutrition and food security, clean water, education, health care, safety from violence – will be decisive. But with only three months left until next year's children start to arrive, there is *no time to lose*. This final element of the straw man, then, is about: • Identify those elements of the OWG's Goals and targets that are most relevant to 2015's children, and where there is no time to lose • Draw up a specific quick start package of MOI measures for them: globally and in individual countries, drawing on public and private finance, in policy and in partnerships of organisations of all kinds • Consider making the September 2015 high level event a Children's Summit	**+** Having a special MOI package focused on their needs is a way of making that point, and bringing a clearer story to the fore that cuts across multiple Goals and targets, while getting us focused on the actions that we need to begin immediately. **-** Would be important to be clear that this approach does not equate to setting up a two track set of Goals and targets, and is instead about front-loading actions where immediate implementation is needed for achievement of Goals in 2030.

Other potential asks

Area	Ask	Why (+) / Why not (-)
Finance for development	**Scale up non-concessional public flows** (I.e. lending by governments to governments, but not at concessional rates.) Wouldn't necessarily count as ODA, but still useful to recipient countries, especially in long term infrastructure investment (including climate mitigation) and leveraging in private sector investment.	**+** Potentially a way of scaling up financing to middle income countries, while still improving the targeting of more concessional flows as proposed above. Loans would potentially not have to go on the lending country's balance sheet. **-** MICs may still be more focused on grant finance anyway. Lot of work to figure out how this would function.
	A new fund for fragile states. • Could incorporate conflict-related, non-economic spending in areas like security sector reform, rule of law, judiciary, etc.	**+** An FFD win for G7+ and low income fragile states. Would allow donor countries to show that their focus on peace and security goals comes with MOI support. Fragile states probably the most important front line for getting to zero by 2030. **-** Change in fragile states notoriously hard to buy, or drive exogenously: it's about how, not how much. Many fragile states are actually MICs not LICs – 5 highest fatality conflicts this year are in Syria, Iraq, Pakistan, Nigeria, Ukraine, all middle income.
	More money for global public goods (e.g. vaccine production and distribution, agriculture R&D, forest / ocean conservation, climate mitigation, peacekeeping). • Charles Kenny at CGD proposes that by 2020 10% of total ODA should go to GPGs other than peacekeeping and climate change.	**+** Clear need. Currently heavily underfunded: in 2012, only $12bn of global funding to GPGs (less than a tenth of total ODA in same year); ¾ of that was UN peacekeeping alone. OECD HLM (Dec 14) a possible moment to get into this. **-** Would involve huge questions about whether GPG finance would be additional to current ODA, or at the very least with win-wins on both fronts. Unlikely donors would want to get into that 6 months before COP21.
	Scaling up innovative finance. E.g.: • Harnessing revenues from International Civil Aviation Organisation's new market based mechanism for reducing emissions from aviation (currently under development) • Implementing an international financial transactions tax. • Increased capitalisation of IMF Special Drawing Rights (SDRs).	**+** An obvious source for potentially increasing funding for global public goods (see above). ICAO scheme a major opportunity. EU already moving forward with a financial transactions tax (though not to fund global public goods). SDRs issued as part of G20 London Summit outcome in 2009. **-** Limited progress to date: only generated an estimated $57.1 billion in official flows between 2000 and 2008 (4.5% of gross ODA). ICAO scheme won't be finalised until 2016. Minimal prospect of international implementation of a financial transaction tax.

Area	Ask	Why (+) / Why not (-)
Private sector	**Anti-corruption and bribery.** • Fuller implementation of UN and OECD conventions on these areas (OECD has found patchy compliance with existing agreements). • Establish global partnership on anti-corruption investigations of large corporations – e.g. 'tax inspectors without borders'	**+** High development impact, especially if helps progress on asset recovery. Key element of any policy coherence for development agenda in OECD countries. **-** What would a political commitment to fuller implementation of anti-corruption / bribery conventions actually look like, once states have signed the agreements in the first place?
	Partnerships. E.g.: • A partnership for every SDG. (SE4All maps neatly on to Goal 7 and Every Woman Every Child on to Goal 5 – but no partnership exists for some other Goals, e.g. Goal 11 on cities or Goal 12 on sustainable consumption and production**.** • Focusing on five or six strategically important partnerships, in five or six pilot countries – as proof of concept for what partnerships can achieve.	**+** First option would be a way to systematise the partnerships approach. Second option could help to make partnerships' potential more tangible by focusing on real on the ground breakthroughs in a small number of places, potentially helping to dispel some of the scepticism that exists. **-** Still difficult political atmospherics on partnerships. Partnerships often only really make sense in specific sectors or value chains – so arguably better suited to something like energy than to more diffuse challenges like cities or SCP.
	A registry of private sector commitments. E.g. a database of what individual companies or coalitions / sector associations have committed to do that maps on to particular SDGs. Could potentially be given additional teeth by having an independent auditing body – perhaps comparable to the UK's aid watchdog, the Independent Commission on Aid Impact	**+** Could allow a comprehensive approach to tracking private sector commitments, and improve accountability. **-** Underlying question as to whether the commitments in such a database would be additional to what would have happened anyway.
	Enhanced private sector reporting. • Systematic ESG reporting – e.g. all companies over a certain market cap should report publicly on their environmental, social, and governance policies, practices, and impact. • Accountancy bodies could set standards for this reporting, including stipulating country-by-country breakdowns for multinational companies.	**+** Standard ESG reporting a long-standing ask, e.g. included as recommendation in 2011 UN Global Sustainability Panel. Principles for Responsible Investment crowd like it. **-** ESG reporting unlikely to have much effect unless standardised, and even then still no clear evidence would result in major change either on the part of investors or of consumers.

Area	Ask	Why (+) / Why not (-)
Global economy	**Eliminating perverse subsidies.** • Especially fossil fuels: governments spent £312 billion on subsiding their consumption in 2011, and another $100 billion on their production. • Agriculture the other key area: $384 billion spent subsidising agricultural production and consumption (including biofuels) in 2011. • And $35 billion on fisheries too, a key cause of overfishing and fisheries collapse.	**+** A no-brainer: economy-wide subsidies much less effective (and more expensive / inflationary) than targeted social protection measures, and often with severe negative environmental consequences. **-** Governments are always talking about eliminating perverse subsidies, but their track record is appalling. As of 2012, zero subsidies had been eliminated as part of the G20's 2009 commitment.
	Debt sustainability. Current World Bank-IMF Debt Sustainability Framework (DSF) supposed to help LICs avoid excessive build-up of debt, but some argue it needs reform.	**-** Opinion is split on direction in which reform is needed. Some argue DSF is too restrictive and obstructs e.g. infrastructure investment. But others argue it's actually too lax and that new debt problems are starting to build up in some countries.
	A sovereign debt restructuring mechanism (SDRM). Proposed in ICESDF report.	**+** Topical last decade, and arguably topical again now due to Argentina's recent travails. Ongoing issues with existing bond stock, even if new issues have Collective Action Clauses (CACs - see below). **-** Quickly became dead in the water last decade. Some argue that issue now largely under control going forward due to super-majority cram-down CACs.
	Migration. Very limited political space on this set of issues, but relatively self-contained actions could include: • Developed countries relaxing limits on student visas • Aid to finance training for specialist workers in sectors where more skills are needed (e.g. medicine) • Temporary visas for disaster-affected refugees (potentially much bigger benefit than modest emergency aid)	**+** Migration a key element of any serious agenda of policy coherence for development in OECD countries. The fact that the great majority of refugee and unmanaged migration flows are to other developing countries, many of which can struggle to cope. **-** Hard to see even these modest ideas gaining much traction given polarisation of migration debates in both US and Europe.

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<tr><th>Area</th><th>Ask</th><th>Why (+) / Why not (-)</th></tr>
<tr><td>Global governance</td><td>Hard to identify a potential ask in this area.
Implementing already agreed IMF reforms would be a major breakthrough, but almost certain to remain blocked by US unless some astonishing surprise in midterms.
One idea doing the rounds is an international commission – but hard to see what it would have to add to existing agenda, plus risk of high level panel fatigue.
Could European governments unilaterally surrender one or more seats on the IMF Board? Or undertake for the next MD of the Fund to be from a developing country?
Security Council reform would be another huge breakthrough, but practically no one who follows it sees any prospect of short-medium term progress.</td><td>+ One of the areas that emerging economies mind about most. If global governance reform doesn't figure anywhere in post-2015 MOI then risk of tacit acknowledgement that developed countries are basically giving up on it. BRICS Bank (itself a welcome step in terms of development impact) could imply start of emerging economies simply exiting institutions that they see no prospect of reforming.

- Developed countries seem unwilling or unable to undertake significant reform of existing institutions. As a result, hard to identify a clear ask.</td></tr>
<tr><td>Transparency / data</td><td>A major push on strengthening national statistical capacity.

Lots to do on capacity building, especially "tracking, monitoring and evaluating the impacts and performance of different types of financing flows" (ICESDF)</td><td>+ A total no-brainer. Low quality of national data for many countries reduces effectiveness of policies and resource allocation pretty much across the board.

- A bit dry in communication terms.</td></tr>
<tr><td></td><td>More improvements on government transparency. E.g.
Expanding membership of Open Government Partnership (currently 64 members including US, Brazil, UK and numerous African governments)
Making Extractives Industry Transparency Initiative mandatory for all countries, and extending it to cover producing companies and commodity traders (as UNCTAD suggests)</td><td>+ Potentially strong contribution to domestic resource mobilisation, and hence to country ownership of development strategies.

- Those governments (and companies) that are most in need of greater transparency are also the ones least likely to agree to it.</td></tr>
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Area	Ask	Why (+) / Why not (-)
	A Global Sustainable Development Outlook. Prepared by a range of multilateral agencies and international organisations, and covering: • The business as usual poverty outlook, and key drivers that could bend the curve • Resources, partnerships, strategies needed to drive change as part of a Global Partnership, and how these compare to actual performance • Major risks to global poverty eradication goals, options for mitigating them • Countries' performance on overall policy coherence for sustainable development, e.g. in areas like tax, trade, SCP, peacekeeping troops, arms sales, financial regulation, etc. • What national emission pledges add up to on global emissions, concentrations, and temperature; key environmental risk thresholds and how close global growth trajectories will take us to them	**+** A single report providing policymakers with the overall picture on post-2015 performance on poverty and sustainability. Mandated in Rio 2012 outcome. Could drive improvements in system coherence and accountability. Would provide a proper baseline and ongoing evidence base for post-2015 actions on poverty and sustainability. - DESA has already started doing a Sustainable Development Outlook, but along different lines – so wouldn't be starting from a blank slate.
	A global partnership on development data. • Initial World Bank thinking proposes network model based on country-specific working groups	**+** Potential to identify country-specific wins from data revolution - Potential shortfalls as a result of being supply- rather than demand-driven
Technology	**A Clean Technology Facility**, as mandated in the Rio 2012 outcome. Subsequent UNSG report (2012) and note from President of the General Assembly (2014) discussed a global technology facilitation mechanism that would: • Be under UN auspices, overseen by the HLPF, managed by DESA • Promote global and regional networks of (a) science foundations, (b) business incubators, (c) policy, IP, and risk-sharing organisations, (d) technology transfer mechanisms.	**+** A key priority for many developing countries. SG's report is pretty specific about functions that the Facility would play in each of the four areas listed on left. Strong read-across to proposals for boosting private sector investment through risk-sharing etc. **-** Lack of political momentum? Existing proposals in this area heavily dense and technical. Not clear how much actual technology transfer would result.

Area	Ask	Why (+) / Why not (-)
	In-country technology hubs. E.g: • Inclusive Innovation Funds - proposed by the World Bank as in-country mechanisms for supporting innovators to the point at which they are able to raise private finance. • Centers and/or networks for technology diffusion – e.g. along lines of Innovation Centers already proposed by UN.	**+** Tried and tested – World Bank already has Funds of this kind in place in India and several other countries. Scope to roll the idea out much more widely. Diffusion centers / networks could improve uptake of existing R&D, e.g. through agricultural extension services.
	A green goods and services trade package. US, China, EU and 11 others of WTO's 160 members launched negotiations in July to eliminate tariffs on green goods. Already $1trn/yr trade in green goods like renewables, but often with tariffs as high as 35% (c.f. recent trade disputes).	**+** Potentially big wins on climate and SCP, and also an issue that MICs actually care about. **-** China has some of the highest tariffs and likely to adopt tough negotiating stance. More broadly, only a modest step – plenty of barriers on green goods other than tariffs – and Doha round has been labouring in vain on this for years. But still worth having.
Sustainability	**A comprehensive pledge and review calculator for climate change.** A tool to calculate shortfalls of COP21 pledges, and allow calculations of future pledges and scenarios.	**+** No one believes commitments at COP21 in Paris will add up to 2 degrees. This would be a tool for ratcheting up ambition **-** We don't have time for this: we're already in the last chance saloon for 2 degrees as it is.

Conclusion: Post-2015 as if we meant it

As noted earlier, the policy options in the lists above are intended to strike a balance between being stretching on the one hand, but on the other also potentially winnable in the current political context.

One corollary of these design features is that, for the most part, the options set out above are substantially less ambitious than the kinds of potential wins that intergovernmental summits were aiming for a decade ago. In the run-up to the 2005 Gleneagles G8, for example, the world was in the process of implementing a comprehensive solution to developing world debt; the clear trend was towards OECD countries setting timetables for achieving 0.7%; and it was still possible to talk of completion of the Doha trade round without a wry smile.

Now, by contrast, about as much as can be hoped for on trade seems to be to persuade developed countries to make good on what they promised made a decade ago on DFQF access for LDCs; on aid, many analysts think that halting the recent medium term decline in ODA spending, together with better targeting of more concessional aid, is about as much as can be hoped for; and while it is clearly true that the private sector accounts for far more finance for development than ODA, the emerging 'partnerships' agenda is still painfully short on specifics.

It is also hard to argue that the kind of options set out above are commensurate with the ambition of 'getting to zero' by 2030, much less moving towards a more sustainable and inclusive form of globalisation. Impressive though it was that the world achieved MDG1 (halving income poverty) several years ahead of schedule, eradicating the second half of poverty will be *much* more difficult. with the world's remaining poor heavily concentrated in hard-to-reach environments.[2] At the same time, transboundary risks and global public goods, above all those related to sustainability, are becoming steadily more important just as our capacity to manage them seems to be in decline.

If the world was really serious about total eradication of poverty *and* a universal shift to a sustainable and inclusive globalisation in the space of just a decade and a half, then it would need to make much faster progress on three key fronts in particular.[3]

- First, **tackling poverty in fragile and conflict-affected states (or parts of states)**. By 2030, absolute poverty will be heavily concentrated in these environments – including most of the world's dwindling number of low-income countries, but also a considerable number of middle-income countries (or regions within them).

- Second, **inclusive growth in middle income countries**. While this is partly about helping lower middle income countries to diversify their sources of finance for development and encourage private sector development, it is also about helping the poor people who are being left behind – including through improvements in the global policy environment.

[2] See Alex Evans and David Steven (2013), *The Future is Not Good Enough: Business As Usual After 2015*, background paper for UN High-level Panel on the Post-2015 Development Agenda, 2013.
[3] For a fuller discussion of these three challenges, see Owen Barder and Alex Evans (2014), *Beyond Aid: Submission to UK International Development Select Committee Inquiry*, 5 September 2014.

- Third, **addressing the global impact of developed country consumption patterns**. The world as a whole emits and consumes far beyond sustainable levels. If the global economy is to be brought back within safe environmental limits *and* poor people are also to improve their standard of living, then the only way to square the circle is for developed world consumers to impose a smaller burden on the world's finite resources, and live within their fair shares of environmental space.

  This is not to say there are limits to growth, or that humanity is headed for some dire Malthusian dystopia. It is easily possible to imagine a future in which, within just a few decades, technological innovation ushers in a post-scarcity age. But that will only happen under economic policies that, for now, most countries are avoiding, above all making the price of goods and services tell the truth about their environmental impact. Until then, hard-edged distributional questions about access to natural resources and environmental commons will continue to become more acute, especially for those who rely on them most: poor people.

These three challenges share many traits. None of them was a focus area for the Millennium Development Goals. All of them will be decisive in shaping the outlook for international development from now on. All involve far-reaching, very political, often messy processes of political and structural change – usually in the absence of an established playbook for how to go about them. All will be addressed primarily at national level, but with crucial roles in each case for international assistance and cooperation. And while more international public finance is a crucial piece of the puzzle in each case,[4] none of them is primarily about aid.

To tackle challenges of this scale, developed countries (and, increasingly, upper middle income countries too) will need to go much further in aligning their domestic policies with three constituencies seldom heard from in domestic political debate: the world's poor, future generations, and species other than humans.

For now, it is impossible to think very far along these lines while remaining within the bounds of what is currently politically realistic. But it is worth thinking along these lines all the same, for two reasons.

The first is that, as well as thinking about what's *possible*, we need to be thinking too about what's *necessary* to deliver the hugely ambitious agenda that we have spent the last year constructing – even if this will often take the form of speculative what-if questioning rather than concrete policy proposals. After all, if we don't take our own agenda as something that we mean seriously, then why should anyone else?

The second is that even if the political space for genuinely transformative thinking is largely closed for now, there is nonetheless considerable potential for shocks (economic, social, and environmental) to create such space, often just for a brief moment – but *only* if policy options that can use such moments' transformational potential are ready and waiting 'on the shelf' ahead of time. The economist Milton Friedman captured this point well when he wrote to his fellow monetarists (long before their ascent to prominence), that

[4] In fragile states, to fund the world's already overstretched peacekeeping and humanitarian assistance systems; in middle income countries, to help lever in private sector investment, build know-how and capacity, and finance direct service provision to poor people where their governments can't or won't; and at global level, to fund biodiversity conservation (for instance oceans and rainforests) and climate mitigation efforts.

> "*Only a crisis — actual or perceived — produces real change. When that crisis occurs, the actions that are taken depend on the ideas that are lying around. That, I believe, is our basic function: to develop alternatives to existing policies, to keep them alive and available until the politically impossible becomes politically inevitable*."

With these considerations in mind, here is a different kind of straw man: seven examples of the sort of areas that we might be thinking about if we were serious about eradicating poverty and shifting to a sustainable and inclusive globalisation in our political lifetimes.

1. **Comprehensive state fragility risk assessment of domestic policies.** Policies in areas with potentially high impact on fragile or conflict-affected states would automatically be assessed and reviewed in the light of their potential to create or amplify exogenous risks facing fragile environments.

   Examples of such areas would include arms sales; financial regulations, including those on money-laundering; enforcement of anti-bribery and anti-corruption legislation; tax havens; extractives (not just transparency, but a presumption against purchasing oil, gas, or minerals from illegitimate regimes); drug prohibition policies; and deportations. Risk assessments in these areas would have the potential automatically to trigger Ministerial and Parliamentary discussions where necessary, and would be reported on publicly.

2. **Development impact assessment of domestic economic policies.** On a related note, similar assessment procedures would examine the development impact on economic policies in key areas including tax, subsidies, trade, and migration.

   Cost-benefit analyses – for example comparing the benefit to domestic farmers of support measures with the cost to farmers overseas, or assessing the international impact on food prices of domestic biofuel mandates – would be conducted as a matter of course. Again, there would be provision for public disclosure and for Ministerial and Parliamentary discussions where development impacts exceeded a given level.

3. **Fair shares of environmental commons and environmental costs.** Natural resources like land, water, and the atmosphere should be recognised as a special category of property right, with dividends from their use accruing to society at large.

   At global level, this would imply the need for sustainable use limits to be defined (in the case of climate change, for instance, by quantifying a safe global emissions budget), and then shared out fairly (for instance through the principle of all countries having equal per capita shares of that emissions budget).

   At national level, natural resource use should either be priced to reflect its full environmental cost (for instance through pricing water, or taxing more resource-intensive kinds of food), or taxed to reflect its status as an environmental commons (for instance through land value taxes – from residential property in developed countries to large commercial land acquisition deals in developing countries).

4. **From discretionary to automatic international public financial flows.** While ODA flows are a small proportion of total FFD, they remain crucial for LDCs, poverty 'tails' in middle income countries, and global public goods from vaccine production and distribution to rainforest conservation. While near term advocacy will continue to focus on 0.7% and climate finance, the longer term aim should be to move from unpredictable discretionary flows to automatic financing similar to domestic taxation.

   'Innovative flows' of finance (e.g. taxes on aviation fuel or currency transactions) have so far generated modest flows, but the key future game changer will be emissions trading within a global carbon budget (which is necessary anyway to solve climate change).

   Since low GDP means low per capita emissions, the poorest countries would have the most spare emissions to sell in any fairly distributed allocation of emissions quotas. This would create a major new source of finance for development, based on trade not aid – but still be in developed countries' interests, as it would reduce the cost of compliance with their emission targets.

5. **A presumption against intellectual property in areas of high development or sustainability impact.** We often assume that innovation will only happen if companies enjoy patent protection for their inventions. Yet this is belied by the fact that developing countries are hotbeds of innovation without patent regimes (M-Pesa has to compete with three nearly identical schemes).

   At the same time, current IP regimes can be also used by incumbents actively to stifle innovation in sectors where it is urgently needed, above all clean tech. (By contrast, Elon Musk has sought to catalyse faster innovation in electric vehicles by announcing that Tesla Motors' technology patents will be available for anyone to use).[5]

   The world needs a better, more open intellectual property system for socially and environmentally valuable technologies, including through making much greater use of royalties, prize funds, or advance purchase commitments – as well as of higher flows of traditional public funding for research (of the sort that gave the world the Green Revolution and the Human Genome Project).

6. **A financial system built for the long term.** There is no shortage of global capital: global equities are worth around \$50 trillion, sovereign and intergovernmental debt \$100 trillion, and the world's savings will be worth \$25-27 trillion by 2030.

   But recent years have too often seen capital flowing to where it is part of the problem (subprime property bubbles, food price speculation, exploration and production of new fossil fuel sources that can never be burned in a two degree scenario), rather than to where it would be part of the solution (e.g. the estimated \$1 trillion a year of investment needed to stabilise greenhouse gas levels safely).

[5] In a 1989 patent for a cutting edge nickel-based battery was bought up by General Motors and sold on to Texaco, limiting the application of the batteries to hybrids and effectively ruling it out in fully electric vehicles. See http://www.theguardian.com/sustainable-business/patent-trolls-sustainable-innovation

As the world faces unprecedented demographic change, population growth, resource scarcity, infrastructure investment needs, and structural transformations, it is essential that the financial system is better aligned with the long term –for instance through changes to fiduciary responsibilities for institutional investors or incorporating sustainability considerations into credit rating agency decisions.

7. **A universal basic income.** At present, four fifths of the world's people still lack any form of social protection, meaning that they have no guarantee of having sufficient income for adequate food, housing, water and sanitation, education, and healthcare. Against this backdrop, the idea of a global social protection floor is already current in the post-2015 agenda, and builds on the major advances in social assistance provision in many middle income countries in recent years.

   While the best form of social protection is a decent job, future job creation in countries at all income levels will increasingly be impacted by technology replacing work as routine jobs become automated: a recent study by academics at Oxford University found that 47% of today's jobs could be automated in the next two decades.

   Rather than increasing minimum wages (and hence accelerating the shift towards automation), a better option will be to top up low wages with public money – potentially to the extent of creating a universal basic income paid to all, as of right rather than being means-tested and hence dependent on being in work or in poverty. While this would not do much to reduce inequality, it would share the proceeds of technology-driven productivity gains more equitably – and create the framework for a universal social protection system.