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"Developing countries: the economic situation and the UN Millennium Development Goals"

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Thank you, Mia, for that kind introduction.

Thank you, Amy, for your invitation.

Dear Mrs. Ban, Ladies and Gentlemen:

I thought there would be no gentlemen around. But there are a few. You are equally welcome.

Let me first thank you for the opportunity to speak at this prestigious Forum. The topic I'll address - the Millennium Development Goals - lies very much at the heart of the work of my Department (Department of Economic and Social Affairs or DESA.)

I brought some brochures with me about DESA. It offers a quick glance at what we do. I must complement the organizers for selecting this topic -MDGs. As you know, the Secretary-General has declared 2010 the year of development and the MDG Summit in September this year will be – if you like – the signature event of this year.

I. Introduction

Ten years ago, world leaders gathered in New York and set far-sighted goals to free a major portion of humanity from the shackles of extreme poverty.

The Millennium Declaration established goals for the eradication of poverty, hunger, illiteracy and disease and for achieving gender equality and the empowerment of women, environmental sustainability and a global partnership for development.

What is the big deal about these goals, one might ask.

Well, they are a big deal because for the first time, 8 development goals, 21 targets – many of them quantified and with specific time frames – became core components of the UN development agenda.

To monitor progress, the UN system, led by my Department, developed 60 indicators to assess and evaluate trends in implementation.

This is no easy task. After ten years of efforts, we are still unable to provide a complete country-by-country, region-by-region picture on all indicators.

In Africa, some 20 countries have never conducted national census.

This, in itself, demonstrates the difficulties we face in achieving the MDGs.

The Millennium Declaration set 2015 as the target date of most of the goals and targets. Regrettably, with that date approaching, the world finds itself mired in multiple crises that threaten to slow progress towards the MDGs and even undermine the achievements already made.

I'll come back to talk more about the impact of the multiple crises on the MDGs.

II. Millennium Development Goals

But first, let me briefly go through with you each of the MDGs and give you a quick assessment, based on the data available.

I'll highlight the achievements first; I will then point out where the shortfalls are. The period covered is from 1990 to 2009, in order to provide an overall historical background and a general idea of trends. But given the diversity of data sources, the base years of the indicators and the latest data available are not the same.

My office has prepared a two-page snapshot on the status of the 8 MDGs. Copies have been distributed in the room for your ease of reference.

Goal 1: Eradicate extreme poverty and hunger (with a specific target to halve the proportion of people living in poverty and suffering from hunger)

Achievements

There was a dramatic fall in poverty in Eastern Asia and South-Eastern Asia from 1990 to 2005. The global impact was big – as a result of this progress, the number of people living in extreme poverty worldwide declined from 1.8 billion in 1990 to 1.4 billion in 2005 – 400 million people were lifted out of poverty in a period of 15 years.

Now, if progress had continued uninterrupted (before the financial and economic crisis hit the poorest so hard), the world would have been on track to cut into half the proportion of people living in extreme poverty.

It is therefore disheartening to see that the financial and economic crisis is derailing progress toward the MDGs.

Without any intention to attribute responsibility or culpability, I must say that the financial crisis, which originated from developed countries, has successfully thrown the MDGs off the track.

Shortfalls

Speaking about off-track - In sub-Saharan Africa, poverty remains stubbornly high. The number of the poor went up by 92 million in sub-Saharan Africa during the period of 1990-2005.

The highest hunger prevalence in 2008 was, once again, in sub-Saharan Africa, where 29 per cent of the population was undernourished – that is, about 265 million people not having enough meals day in day out, largely due to reduced access to food because of high food prices and the global financial and economic crisis.

In response to these shortfalls, the Secretary-General has given priority attention to Africa, by setting up an MDG Africa Steering Group in 2007 and by guiding its work since.

Goal 2: Achieve universal primary education

Achievements

Since 2000, there has been remarkable progress towards achieving the target of universal primary education in developing countries, with many countries having crossed the 90 per cent enrolment threshold.

Thanks to targeted interventions, enrolment in primary education has increased fastest in sub-Saharan Africa, from 58 per cent in 2000 to 74 per cent in 2007.

Shortfalls

But problems remain. More than 72 million children of primary school age around the world — about half of them in sub-Saharan Africa — remain out of school.

Dropout rates remain high in many countries. Achieving 100 per cent primary school completion rate remains a challenge.

Goal 3: Promote gender equality and empower women

Achievements

The gender gap in primary school enrolment has narrowed in the past decade.

There has been progress in political participation. Latin America & the Caribbean and Eastern Asia have the highest women's political representation.

Women's presence in parliaments has also grown impressively in sub-Saharan Africa, doubling from 9 per cent in 2000 to 18 per cent in 2009.

Shortfalls

But we should not be content with the progress. The target of eliminating gender disparities in education by 2005 has yet to be achieved.

Paid employment outside agriculture continues to grow for women, but only marginally.

Despite encouraging progress, women's political representation, with only 17 per cent of parliamentary seats held by women, is still far from the agreed 30 per cent target.

Goal 4: Reduce child mortality (with a specific target of reducing, by two-thirds, the under-five mortality rate)

Achievements

Deaths among children under five years of age have been reduced from 12.5 million per year in 1990 to 8.8 million in 2008. Many experts consider that indicator a most telling sign of policy success thanks to targeted interventions.

Shortfalls

But we are not out of the woods yet. The child mortality rate (before reaching the age of five) in developing countries fell from 99 deaths per thousand live births in 1990 to 72 in 2008. This is well short of the target of a two-thirds reduction (to 33 per thousand live births).

Sub-Saharan Africa is again the region with the highest child mortality rate—for every 1,000 births, 145 children die before their fifth birthday.

The rate in a rich country tends to be in single digits – about 6. Compare that to 145 in sub-Saharan Africa.

Ladies and gentlemen, we should all feel ashamed at this wide, morally reprehensible gap.

Goal 5: Improve maternal health (with a specific target of reducing, by three quarters, between 1990 and 2015, the maternal mortality ratio)

Achievements

Deliveries attended by skilled health workers in developing regions have increased since 1990, from 53 per cent in 1990 to 61 per cent in 2007.

Shortfalls

There has been little progress in reducing maternal deaths – maternal mortality only declined marginally from 480 deaths per 100,000 live births in 1990 to 450 in 2005.

At this rate, the MDG target of 120 deaths per 100,000 live births by 2015 cannot be achieved.

Half of all maternal deaths occur in sub-Saharan Africa and another third in Southern Asia. Together, these two regions account for 85 per cent of all maternal deaths.

I have always been shaken by this number. There must be something we can do to change this. Last year, I proposed to my UN colleagues that we support a volunteer corps, made up of doctors and nurses who volunteer their services, to help reduce the mortality rates. These volunteers could be integrated into existing basic health care facilities and provide on-site training and services.

I would like to hear your feedback to my proposal later on.

Goal 6: Combat HIV/AIDS, malaria & other diseases (with specific targets of having halted by 2015 and begun to reverse the spread of HIV/AIDS and the incidence of malaria and other major diseases)

Achievement:

The number of new HIV infections was 2.7 million in 2008, a decline of 30 per cent from the peak of 3.5 million in 1996.

The global incidence of tuberculosis appears to have peaked in 2004, and is now falling slowly in most parts of the world, except in African countries with a high prevalence of HIV.

African countries with endemic malaria have received enough nets to cover more than half their at-risk populations.

Shortfalls

Encouraging as it is, the progress has not yet been enough to reverse the trajectory of the HIV epidemic, because needed interventions on prevention and treatment often fall short in coverage: for every two persons starting anti-retroviral treatment, there are five new HIV infections.

This is an area where I see great gains if we could focus more on prevention.

Goal 7: Ensure environmental sustainability (with specific targets of halving the proportion of people without sustainable access to safe drinking water and basic sanitation)

Achievements

Most regions have achieved major gains in providing access to safe drinking water, and the world is well on its way to meeting the target.

There has been extraordinary progress in protecting the ozone layer. Parties to the Montreal Protocol have achieved a 97 per cent reduction in the consumption of all controlled ozone-depleting substances.

The net deforestation rates have come down.

Shortfalls

These success stories notwithstanding, the overall picture remains grim. The rate of growth of CO₂ emissions has been much higher in recent decades, and the trend has not changed so far.

After Copenhagen, there is continuing mistrust between developed and developing countries.

The target to reduce the rate of biodiversity loss by 2010 has not been met.

Some 13 million hectares of the forests are lost each year, only partially compensated for by afforestation. Worldwide, around 7 million hectares of forest cover is lost every year.

Now, one more word about deforestation. I think this is an ill-defined problem, as it is often perceived merely as a forest issue. Many fail to realize that deforestation increases

carbon emission, reduces habitat for plant and animal species and destroys sustainable livelihoods.

It is a quintessential sustainable development challenge. My department has a small secretariat that services the UN Forum on Forests. They are working hard to rectify this situation.

Goal 8 – Develop a global partnership for development (with specific targets on global cooperation on aid, trade, debt, access to affordable essential medicines and new technologies and on addressing the special needs of the least developed, landlocked and small island states)

Achievements

Now, this is a “lengthy” goal with several targets, quite a mouthful. If we had just met this goal, I think we would have been half-way there.

It is fair to say that some progress has been made.

Net disbursement of official development assistance (ODA) in 2008 increased by 10.2 per cent to \$119.8 billion.

Substantial progress has been made with regard to debt relief.

Considerable progress has been made in access to information and communications technologies, especially in cellular telephony, in recent years.

Shortfalls

But on aid and trade, our record is deplorable.

Donors are falling short by \$35 billion per year on a pledge made in 2005. The share of ODA in GDI (gross domestic income) was 0.3 per cent in 2008, far from the agreed target of 0.7 per cent to be reached by 2015.

Distribution of development assistance remains highly skewed. Iraq and Afghanistan received about one sixth of country allocations from rich countries, even though they account for less than two per cent of the total population of the developing countries.

The failure to reach agreement in the Doha Round of multilateral trade negotiations represents a major gap in strengthening the global partnership for achieving the MDGs.

Gap in access to internet between the developed and the developing world remains large. In 2007, there were only 13 users per 100 people in the developing regions, as compared to 64 in the developed regions.

Ladies and Gentlemen,

This is a brief introduction plus a quick assessment of the MDGs and some related targets.

I don't know how you feel. I feel concerned, worried, angry, exasperated and frustrated every time I review the latest monitoring updates.

In a nutshell, MDGs represent the most basic rights, the fundamental standards of living to which our fellow human beings are entitled. Yet, we cannot guarantee these basic rights.

It is us – the governments, the international institutions, the donors, who have let down our fellow human beings. Collectively we have failed.

III. Why the MDGs

The only way forward is to face up to our responsibilities. The MDGs remain feasible with adequate commitment, policies, resources and effort.

Collectively, the Millennium Declaration represents the most important promise ever made to the world's most vulnerable people. This promise is not based on pity or charity, but on solidarity, justice and shared interests.

The MDGs epitomize a shared conception of what is the basic foundation for human rights, human dignity and well-being.

Without achieving the MDGs, there will be no collective prosperity and all our basic rights are violated.

Our challenge at this critical juncture is to agree on an action agenda. With five years to go to the MDGs target date of 2015, the prospect of falling short is very real.

This would be an unacceptable failure, moral and practical. If we fail, the dangers in the world – instability, violence, epidemic diseases, environmental degradation – will all be multiplied.

The MDGs therefore provide a historic framework for focused attention and accountability.

This fabric of accountability, however, is being tested by the current financial and economic crisis, food crisis and climate change, which I touched on at the beginning of my speech.

IV. Multiple crises and the impact on the MDGs

The financial crisis, which began in the high-income economies of North America and Europe, spread like bush fire to the developing world. Developing countries became engulfed in this firestorm of economic contraction in a number of ways.

The financial crisis had a significant impact on world trade. Triggered by a decline in import in major developed countries and by more restricted access to trade financing, trade flows fell by 30 to 50 per cent in most economies in late 2008 and early 2009.

Asian economies experienced the sharpest declines.

Crucial for many resource-dependent developing economies, the financial crisis led to a collapse in the prices of oil and non-oil primary commodities.

For example, at the height of the crisis, oil prices had fallen by as much as 70 per cent from their previous peak level. The price movements have been similar for other commodities such as metals and agricultural products.

Of course, the level of prices is one concern. But even more important can be the volatility of prices. In this respect, in many developing countries, the recent price swings in a short timeframe have made macroeconomic management more challenging and increased economic insecurity.

The lackluster labour market remains another fall-out of the crisis in virtually every country. In East and South Asia, unstable employment affects about 70 per cent of the workforce.

In sub-Saharan Africa, an important share of the region's labour force is engaged in subsistence agriculture and other low-productivity economic activities. The share of the working poor (those having jobs but remaining poor) is expected to increase to about 64 per cent in 2009, up from 59 per cent in 2007.

In Latin America and the Caribbean, the rate of unemployment increased, on average, to 8.5 per cent in the first quarter of 2009 compared to 7.9 per cent in the first quarter of 2008, implying that over one million more workers could not find a job.

What does this mean for achieving the MDGs? Well, bad news, in a word. In many developing countries, social safety nets that would support the poor and unemployed are either non-existent or insufficient.

Health care provision and financing have also been a constant challenge in many developing countries. And the same goes for education. In the meantime, the demand for public services is increasing even further, whereas financial resources are becoming scarce.

As a consequence, the number of those living in extreme poverty is now higher than what was anticipated before the onset of the crisis, as I highlighted earlier. Estimates suggested that as a result of the financial and economic crisis, some 50 to 100 million people in developing countries may have fallen into the traps of poverty.

For some countries this means the difference between reaching and not reaching their poverty reduction targets by 2015.

Likewise, the positive trend in the eradication of hunger since the early 1990s was reversed in 2008. The target of halving the proportion of hungry people in the world is now one of the targets most at risk. The number of people suffering from hunger has reached 1,020 million in 2009. Of these, 265 million are in sub-Saharan Africa, an increase of almost 12 per cent from the number a year before.

The inversion of trends in the prevalence of hunger is largely the result of reduced access to food because of higher food prices, lower incomes and higher unemployment.

And the global economic crisis has further undermined the already unstable employment opportunities for women and youth. Female and youth unemployment rates continue to be higher than those of the whole population, and women are often more vulnerable than men when faced with job reductions.

With slower economic activity virtually in every region of the world, migrants have found it increasingly difficult to find or keep work in their host country, limiting their ability to transfer money back to their families in their home country.

On top of the financial and food crises is, of course, climate change.

According to UNFCCC reports, most severe impacts of climate change are being experienced by vulnerable populations in developing countries, especially in least developed countries, African countries and small island developing States, even though they have contributed least to the problem.

As climate change will impact development, it will also have implications for the MDGs. According to the IPCC, climate change is likely to reduce crop production and increase food insecurity in parts of Africa and South Asia, among other places; increase flooding, droughts and extreme weather events, while exacerbating poverty where these occur.

Furthermore, climate change imposes an additional burden on developing countries that are forced to adapt. The poorer ones do not have resources to develop adequate infrastructure that is resilient to the impact of climate change.

That is why the financial and technological support of the international community, as agreed in the Bali Action Plan, is so critical. Without adequate support to climate change adaptation, progress towards the MDGs could very well be set back by many years.

V. What to do in the next five years

This leads to the question – what to do? Looking ahead, where does this leave us with respect to achieving the MDGs? And what is the role of the UN and the international community in this respect?

It sounds almost cliché to say that the UN and the international community have an important role in supporting the achievement of the MDGs - especially now, in times of multiple and simultaneous crises – the economic, food and climate crises.

Cliché as it may sound, I do mean it. The UN and the international community bear an unshirkable responsibility toward the MDGs. World leaders have undertaken a commitment and they must honour that commitment.

Official development assistance is the most visible element of that commitment.

Trade is likewise important. Developing countries cannot grow with aid alone. Increasing access of exports from developing countries to the markets of developed countries is another element of this global commitment.

However, a continuing stalemate in the Doha Round of trade negotiations represents a large gap.

No wonder some observe: national interests, however narrow, often prevail over broad global partnerships.

Since the onset of the financial crisis, developing countries have also been hurt by the collapse in trade finance and new trade restrictions in many countries.

Strengthening the Global Partnership for Development is therefore extremely timely. It can effectively advance economically and environmentally sustainable growth – growth that mitigates climate change while addressing the political, economic and public health deficits associated with extreme poverty.

VI. A few lessons

Accelerated and sustainable progress towards achievement of the MDGs will be contingent on our combined efforts to implement three strategies much more effectively than we have been able to do in the past:

1) Scale-up implementation of proven and innovative interventions in such key domains as gender, sustainable agriculture (including inputs for smallholders and sustainable environmental management), energy, education and health.

This strategic endeavour needs to be backed by targeted investments, informed community participation, adequate institutional capacities to effectively mobilize and manage financial resources and deliver public services.

2) Build the structural and economic foundations to support and sustain progress and mitigate risks of MDG reversal through effective social and economic policies and institutions grounded in universal rights, social cohesion, and improved conditions for peace and security.

3) Broaden and strengthen partnerships to ensure greater global and regional integration: (i) a supportive international framework for trade, technology transfer; (ii) climate change

mitigation and adaptation to sustain long-term human development; and (iii) sufficient, predictable, and well-coordinated financing for development.

This third strategy builds on the recognition that both within and across countries, no single stakeholder can achieve the first two strategies on their own.

Now a few words of my own to share with you on lessons learned, based on my personal observation; these are non-official lessons. They complement what I highlighted just now.

I have three words— leadership, statecraft and commitment to growth. I have over 40 years of diplomatic experience. For many years, I was engaged in maintaining international peace and security; more recently, I have been dedicating myself to promoting development.

My bilateral and multilateral experience suggests that to achieve growth and development, a nation needs visionary leadership: a leader with a strategic vision, a vision of destination.

This leadership in turn will underpin and support a commitment to policy innovation and experimentation: a solid grasp of the art of the possible in conducting and managing public affairs.

And finally, we need a firm commitment by the national and local government to economic growth, social progress, and protection of the environment, namely, a firm commitment to sustainable development – a government that governs for the wellbeing of the people.

VII. Preparations for the MDG Summit

All these issues and challenges need to be addressed in a concerted way. The United Nations offers a unique forum for international dialogue and the recent crises have only helped to make this function even more indispensable.

The 2010 High-Level Plenary Meeting on the MDG's will not only serve to see where we stand only five years away from the target year, but will hopefully serve to galvanize a renewed commitment, leadership, vision and partnership.

That is why the Summit will focus on four priorities:

- 1) Mobilizing support for scaling up MDG successes;
- 2) Bringing the attention on the gaps that need urgent action;
- 3) Highlighting priority policy areas;
- 4) Building a coalition for action.

The September Summit is our opportunity to agree on concrete steps for accelerating progress and ensuring the achievement of the MDGs; and for all stakeholders to chart the course in the remaining five years.

Let us seize this opportunity.

VIII. Concluding remarks

65 years ago, at the founding of the UN, the central aim of development was expressed clearly in the UN Charter: “to promote social progress and better standards of life in larger freedom” and to “employ international machinery for the promotion of the economic and social advancement of all peoples’.

The United Nations’ dedication to development is unambiguous.

Development, as you know, is one of the three pillars of the United Nations, the other two being peace and security, and human rights. These three pillars are, more than ever before, compatible, mutually reinforcing goals.

Imagine a three-pillared edifice. If one is broken or weak, it will ensure the weakening of the other two and the eventual collapse of the edifice.

Yet, unlike the other two pillars, development seldom makes – or creates – headlines. The MDGs, as concrete, quantifiable and time-bound targets, have done much to change this.

In conclusion, I want to leave you with an appeal. We at the United Nations cannot achieve the MDGs on our own, whether we are secretariat bodies or member Governments.

We truly need a multi-stakeholder engagement. We need partnerships. We need you. Take these as your own MDGs. If you have reached these goals yourself, then help others.

Thank you .