

Investing in Development

A Practical Plan to Achieve the Millennium Development Goals

UN Millennium Project

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Preface

The UN Millennium Project has been a unique undertaking. Its 10 task forces, Secretariat, and broad array of participants from academia, government, UN agencies, international financial institutions, nongovernmental organizations, donor agencies, and the private sector created a worldwide network of development practitioners and experts across an enormous range of countries, disciplines, and organizations. The Project was made possible by the unique commitment, skills, and convictions of the task force coordinators, who led their groups to take on some of the most challenging development questions of our generation, and by the task force members, who gave remarkably of their time. This has been a global effort, in the service of a great global cause—the Millennium Development Goals (MDGs). Our Project has been a microcosm of a larger truth: achieving the Millennium Development Goals will require a global partnership suitable for an interconnected world. The world truly shares a common fate.

This has been a labor of love for the many participants in the task forces and Secretariat. Individuals have volunteered vast amounts of effort and expertise to the Project. Their contributions, far beyond any reasonable expectation, have immeasurably sharpened and strengthened the messages contained in the Project's many outputs, including this report, the task force final reports, the newly developed tools for needs assessment, and the advisory support for MDG-based planning in several countries.

I believe that all of the participants have contributed in such a manner because they recognize the special nature of this effort. Part of that is the honor and privilege of working on behalf of UN Secretary-General Kofi Annan, who launched the UN Millennium Project and who has played an unparalleled role in promoting the global fight against extreme poverty. Part is the delight of working for and together with UNDP Administrator Mark Malloch Brown,

whose tenacity, vision, and leadership have guided the UN Development Group's efforts for several years. We have also enjoyed, admired, and richly benefited from the leaders of other UN agencies, who direct teams that save lives and ease burdens of poverty and despair throughout the world on a daily basis.

Another special aspect of the Project is the rare and powerful opportunity to help give voice to the hopes, aspirations, and vital needs of the world's poorest and most voiceless people. We have met countless heroes and heroines of development in the three years of our work—in the villages and slums of Africa, Asia, Latin America, and other parts of the developing world. We have seen people preserving their spirit, integrity, commitment, and hope for the future even when they have little else, when tragic circumstances have left them bereft of health, education, possessions, and a means of livelihood. The human spirit, we have seen on innumerable occasions, is truly indomitable.

This triumph of the human spirit gives us the hope and confidence that extreme poverty can be cut by half by the year 2015, and indeed ended altogether within the coming years. The world community has at its disposal the proven technologies, policies, financial resources, and most importantly, the human courage and compassion to make it happen.

Jeffrey D. Sachs
January 2005

Contributors

This document presents the findings and recommendations of the UN Millennium Project, an independent advisory body to UN Secretary-General Kofi Annan. We are grateful to the Secretary-General for initiating and supporting the UN Millennium Project, for his unwavering commitment to the objective of global poverty reduction, and for his remarkable and tireless leadership of the United Nations system. We also thank Mark Malloch Brown, Administrator of the United Nations Development Programme (UNDP) and Chair of the United Nations Development Group, for his sage guidance and support at every step of the project. We also wish to express our profound appreciation to members of the UN Development Group's Executive Committee for their ongoing support: Carol Bellamy, United Nations Children's Fund; Jim Morris, World Food Programme; and Thoraya Obaid, United Nations Population Fund. We are further grateful to Louise Fréchette, Deputy Secretary-General, José Antonio Ocampo, Department of Social and Economic Affairs; his predecessor Nitin Desai; and Shashi Tharoor, Department of Public Information, for their generous guidance and advice.

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Task force reports

Task Force on Hunger

Halving hunger: it can be done

Task Force on Education and Gender Equality

Toward universal primary education: investments, incentives, and institutions

Task Force on Education and Gender Equality

Taking action: achieving gender equality and empowering women

Task Force on Child Health and Maternal Health

Who's got the power? Transforming health systems for women and children

Task Force on HIV/AIDS, Malaria, TB, and Access to Essential Medicines,
Working Group on HIV/AIDS

Combating AIDS in the developing world

Task Force on HIV/AIDS, Malaria, TB, and Access to Essential Medicines,
Working Group on Malaria

Coming to grips with malaria in the new millennium

Task Force on HIV/AIDS, Malaria, TB, and Access to Essential Medicines,
Working Group on TB

Investing in strategies to reverse the global incidence of TB

Task Force on HIV/AIDS, Malaria, TB, and Access to Essential Medicines,
Working Group on Access to Essential Medicines

Prescription for healthy development: increasing access to medicines

Task Force on Environmental Sustainability

Environment and human well-being: a practical strategy

Task Force on Water and Sanitation

Health, dignity, and development: what will it take?

Task Force on Improving the Lives of Slum Dwellers

A home in the city

Task Force on Trade

Trade for development

Task Force on Science, Technology, and Innovation

Innovation: applying knowledge in development

Abbreviations

APRM	African Peer Review Mechanism
ASEAN	Association of Southeast Asian Nations
CARICOM	Caribbean Community
CGIAR	Consultative Group on International Agricultural Research
CIS	Commonwealth of Independent States
COMESA	Common Market for Eastern and Southern Africa
CSO	civil society organization
DAC	Development Assistance Committee
DFID	Department for International Development (UK)
DOTS	directly observed treatment, short course
ECOWAS	Economic Community of West African States
EIA	Energy Information Administration
EITI	Extractive Industries Transparency Initiative
ERS	Economic Recovery Strategy for Wealth and Employment Creation
EU	European Union
FAO	Food and Agriculture Organization
FDI	foreign direct investment
FTA	free trade agreement
GATS	General Agreement on Trade in Services
GATT	General Agreement on Tariffs and Trade
GAVI	Global Alliance for Vaccines and Immunization
GDP	gross domestic product
GEMS	Global Environment Monitoring System
GNI	gross national income
GNP	gross national product
HIPC	heavily indebted poor country
ICT	information and communication technologies
IDA	International Development Association
IFAD	International Fund for Agricultural Development

IFF	International Financing Facility
ILO	International Labour Organization
IMF	International Monetary Fund
IMR	infant mortality rate
IPCC	Intergovernmental Panel on Climate Change
LDC	Least Developed Country
MCA	Millennium Challenge Account
MCC	Millennium Challenge Corporation
MDG	Millennium Development Goal
MFN	most-favored nation
MTEF	medium-term expenditure framework
NEPAD	New Partnership for Africa's Development
NGO	nongovernmental organization
OECD	Organisation for Economic Co-operation and Development
ODA	official development assistance
ODS	overall trade-distorting domestic support
PRS	poverty reduction strategy
PRSP	Poverty Reduction Strategy Paper
R&D	research and development
RAE	Rehabilitation of Arid Environments Charitable Trust (Kenya)
SADC	Southern African Development Community
SDI	Slum/Shack Dwellers International
SDT	special and differential treatment
SPARC	Society for Promotion of Area Resource Centers (India)
SWAps	sectorwide approaches
TRIPS	Agreement on Trade-Related Aspects of Intellectual Property Rights
UNAIDS	Joint United Nations Programme on HIV/AIDS
UNCTAD	United Nations Conference on Trade and Development
UNDAF	UN Development Assistance Framework
UNDP	United Nations Development Programme
UNDESA	United Nations Department of Economic and Social Affairs
UNECA	United Nations Economic Commission for Africa
UNEP	United Nations Environment Programme
UNESCAP	United Nations Economic and Social Commission for Asia and the Pacific
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
UNIFEM	United Nations Development Fund for Women
UNIDO	United Nations Industrial Development Organisation
USAID	U.S. Agency for International Development
WBCSD	World Business Council for Sustainable Development
WIPO	World Intellectual Property Organization
WTO	World Trade Organization



Millennium Development Goals

Goal 1

**Eradicate
extreme poverty
and hunger**

Target 1.

Halve, between 1990 and 2015, the proportion of people whose income is less than \$1 a day

Target 2.

Halve, between 1990 and 2015, the proportion of people who suffer from hunger

Goal 2

**Achieve
universal primary
education**

Target 3.

Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling

Goal 3

**Promote gender
equality and
empower women**

Target 4.

Eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015

Goal 4

**Reduce child
mortality**

Target 5.

Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate

Goal 5

**Improve
maternal health**

Target 6.

Reduce by three-quarters, between 1990 and 2015, the maternal mortality ratio

Goal 6

**Combat
HIV/AIDS,
malaria, and
other diseases**

Target 7.

Have halted by 2015 and begun to reverse the spread of HIV/AIDS

Target 8.

Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases

Goal 7**Ensure
environmental
sustainability****Target 9.**

Integrate the principles of sustainable development into country policies and programs and reverse the loss of environmental resources

Target 10.

Halve, by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation

Target 11.

Have achieved by 2020 a significant improvement in the lives of at least 100 million slum dwellers

Goal 8**Develop a global
partnership for
development****Target 12.**

Develop further an open, rule-based, predictable, nondiscriminatory trading and financial system (includes a commitment to good governance, development, and poverty reduction—both nationally and internationally)

Target 13.

Address the special needs of the Least Developed Countries (includes tariff- and quota-free access for Least Developed Countries' exports, enhanced program of debt relief for heavily indebted poor countries [HIPCs] and cancellation of official bilateral debt, and more generous official development assistance for countries committed to poverty reduction)

Target 14.

Address the special needs of landlocked developing countries and small island developing states (through the Program of Action for the Sustainable Development of Small Island Developing States and 22nd General Assembly provisions)

Target 15.

Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term

Some of the indicators are monitored separately for the least developed countries, Africa, landlocked developing countries, and small island developing states

Target 16.

In cooperation with developing countries, develop and implement strategies for decent and productive work for youth

Target 17.

In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries

Target 18.

In cooperation with the private sector, make available the benefits of new technologies, especially information and communications technologies

Ten key recommendations

Recommendation 1

Developing country governments should adopt development strategies bold enough to meet the Millennium Development Goal (MDG) targets for 2015. We term them MDG-based poverty reduction strategies. To meet the 2015 deadline, we recommend that all countries have these strategies in place by 2006. Where Poverty Reduction Strategy Papers (PRSPs) already exist, those should be aligned with the MDGs.

Recommendation 2

The MDG-based poverty reduction strategies should anchor the scaling up of public investments, capacity building, domestic resource mobilization, and official development assistance. They should also provide a framework for strengthening governance, promoting human rights, engaging civil society, and promoting the private sector. The MDG-based poverty reduction strategies should:

- Be based on an assessment of investments and policies needed to reach the Goals by 2015.
- Spell out the detailed national investments, policies, and budgets for the coming three to five years.
- Focus on rural productivity, urban productivity, health, education, gender equality, water and sanitation, environmental sustainability, and science, technology, and innovation.
- Focus on women's and girls' health (including reproductive health) and education outcomes, access to economic and political opportunities, right to control assets, and freedom from violence.
- Promote mechanisms for transparent and decentralized governance.
- Include operational strategies for scale-up, such as training and retaining skilled workers.
- Involve civil society organizations in decisionmaking and service delivery, and provide resources for monitoring and evaluation.
- Outline a private sector promotion strategy and an income generation strategy for poor people.
- Be tailored, as appropriate, to the special needs of landlocked, small island developing, least developed, and fragile states.
- Mobilize increased domestic resources by up to four percentage points of GNP by 2015.
- Calculate the need for official development assistance.
- Describe an "exit strategy" to end aid dependency, appropriate to the country's situation.

Note: Recommendations for sector-specific policies and investments are summarized in this report and described at length in the individual reports of the UN Millennium Project task forces.

Recommendation 3

Developing country governments should craft and implement the MDG-based poverty reduction strategies in transparent and inclusive processes, working closely with civil society organizations, the domestic private sector, and international partners.

- Civil society organizations should contribute actively to designing policies, delivering services, and monitoring progress.
- Private sector firms and organizations should contribute actively to policy design, transparency initiatives and, where appropriate, public-private partnerships.

Recommendation 4

International donors should identify at least a dozen MDG “fast-track” countries for a rapid scale-up of official development assistance (ODA) in 2005, recognizing that many countries are already in a position for a massive scale-up on the basis of their good governance and absorptive capacity.

Recommendation 5

Developed and developing countries should jointly launch, in 2005, a group of Quick Win actions to save and improve millions of lives and to promote economic growth. They should also launch a massive effort to build expertise at the community level.

The Quick Wins include but are not limited to:

- Free mass distribution of malaria bed-nets and effective antimalaria medicines for all children in regions of malaria transmission by the end of 2007.
- Ending user fees for primary schools and essential health services, compensated by increased donor aid as necessary, no later than the end of 2006.
- Successful completion of the 3 by 5 campaign to bring 3 million AIDS patients in developing countries onto antiretroviral treatment by the end of 2005.
- Expansion of school meals programs to cover all children in hunger hotspots using locally produced foods by no later than the end of 2006.
- A massive replenishment of soil nutrients for smallholder farmers on lands with nutrient-depleted soils, through free or subsidized distribution of chemical fertilizers and agroforestry, by no later than the end of 2006.

The massive training program of community-based workers should aim to ensure, by 2015, that each local community has:

- Expertise in health, education, agriculture, nutrition, infrastructure, water supply and sanitation, and environmental management.
- Expertise in public sector management.
- Appropriate training to promote gender equality and participation.

Recommendation 6

Developing country governments should align national strategies with such regional initiatives as the New Partnership for Africa’s Development and the Caribbean Community (and Common Market), and regional groups should receive increased direct donor support for regional projects. Regional development groups should:

- Be supported to identify, plan, and implement high-priority cross-border infrastructure projects (roads, railways, watershed management).
- Receive direct donor support to implement cross-border projects.
- Be encouraged to introduce and implement peer-review mechanisms to promote best practices and good governance.

Recommendation 7

High-income countries should increase official development assistance (ODA) from 0.25 percent of donor GNP in 2003 to around 0.44 percent in 2006 and 0.54 percent in 2015 to support the Millennium Development Goals, particularly in low-income countries, with improved ODA quality (including aid that is harmonized, predictable, and largely in the form of grants-based budget support). Each donor should reach 0.7 percent no later than 2015 to support the Goals and other development assistance priorities. Debt relief should be more extensive and generous.

- ODA should be based on actual needs to meet the Millennium Development Goals and on countries' readiness to use the ODA effectively.
- Criteria for evaluating the sustainability of a country's debt burden must be consistent with the achievement of the Goals.
- Aid should be oriented to support the MDG-based poverty reduction strategy, rather than to support donor-driven projects.
- Donors should measure and report the share of their ODA that supports the actual scale-up of MDG-related investments.
- Middle-income countries should also seek opportunities to become providers of ODA and give technical support to low-income countries.

Recommendation 8

High-income countries should open their markets to developing country exports through the Doha trade round and help Least Developed Countries raise export competitiveness through investments in critical trade-related infrastructure, including electricity, roads, and ports. The Doha Development Agenda should be fulfilled and the Doha Round completed no later than 2006.

Recommendation 9

International donors should mobilize support for global scientific research and development to address special needs of the poor in areas of health, agriculture, natural resource and environmental management, energy, and climate. We estimate the total needs to rise to approximately \$7 billion a year by 2015.

Recommendation 10

The UN Secretary-General and the UN Development Group should strengthen the coordination of UN agencies, funds, and programs to support the MDGs, at headquarters and country level. The UN Country Teams should be strengthened and should work closely with the international financial institutions to support the Goals.

- The UN Country Teams should be properly trained, staffed, and funded to support program countries to achieve the Goals.
- The UN Country Team and the international financial institutions (World Bank, International Monetary Fund, regional development banks) should work closely at country level to improve the quality of technical advice.