

Oxfam Recommendations for the Final Draft of the Outcome Document for the UN Summit to adopt the Post-2015 Development Agenda

Inequality

• We welcome the acknowledgement in the Declaration that inclusive economic growth and prosperity "will only be possible if wealth is shared through progressive policies aimed at redistribution" (§25). Extreme economic inequality is having a corrosive impact on our ability to eradicate poverty, which is why this acknowledgement and the continued inclusion of target 10.1 to reduce income inequality are so important. We recommend §25 be further strengthened by including the following immediately after the said sentence:

"Key to this is progressive taxation to generate domestic resources to pay for pro-poor public policies, backed up by international cooperation to clamp down on tax avoidance and evasion."

• We continue to strongly support the pledge to <u>'leave no one behind'</u> and welcome the additional promise to <u>'endeavour to reach the furthest behind first'</u> (§4). It would be strengthened further by affirming that the goals and targets will <u>'only be fully achieved when they are met for all economic and social groupings</u>.'

Climate & Energy

- We are concerned §27 on climate change remains weak and continues to defer climate action to the UNFCCC rather than explicitly viewing the implementation of the new Agenda as creating the building blocks for delivering climate action. We are disappointed to see no reference to keeping global warming below 2°C, as there was in the chapeau of the OWG outcome document. This aim has been agreed by member states in the UNFCCC process and at a minimum reference to it should return in this document. Oxfam continues to call on countries to agree to a 1.5°C target, as demanded by many small-island, low-lying and many African states.
- Whilst recognising the vital need to secure a climate deal at COP21, the declaration would be strengthened by emphasising the need for standalone goals and targets across the framework to drive low-carbon and climate-resilient development, with sustainable energy for all, and to ensure sustainable development for future generations. In particular, we recommend strengthening the role of and support for adaptation (§9, §27 & §28) to climate impacts, for example by adding the following words to the end of §27;

"and which will provide adequate support for climate adaptation and address loss and damage resulting from climate change impacts, in particular for vulnerable developing countries."

 We are further concerned the current proposals do not have strong and consistent enough references to <u>sustainable</u> energy access. This is vitally important in order to ensure energy access for all is both pro-poor and does no harm. Whilst referenced in §7 and in the title of Goal 7, the word is missing from other key parts of the text. <u>We recommend 'sustainable'</u> <u>be added to the Prosperity section of the pre-amble, §25, and target 7.1.</u>

Gender Equality

 We oppose the addition of §38, as we believe this contradicts the ambition of the post-2015 agenda to be both inclusive and leave no-one behind. If it is to remain, we recommend it is amended in the following way to ensure policy coherence:

"We recognize the role of the <u>family families</u> as a contributor<u>s</u> to sustainable development; one measure of success of the new Agenda will be its ability to strengthen and protect all families, <u>households</u> and <u>family members</u>, <u>ensuring equality and the fulfilments of their human rights</u>."

<u>Violence Against Women is a specific problem</u> connected with gender inequality. To ensure
this is recognized as separate to the challenges of VAW against children, we recommend
that §18 include the following sentence:

"Violence against women in all its forms remains endemic and should be eliminated through zero tolerance."

A critical element of building a people-centred economy that is inclusive is <u>reducing</u> <u>women's unpaid burden of care</u>. This is an economic development challenge for all countries. The post 2015 agenda provides a unique opportunity to start addressing this issue for the longer term. Further to our amendments proposed above for the same paragraph on economic inequality, <u>we recommend §25 be further changed</u> in the following way:

"We will work to build dynamic, sustainable and people-centred economies, <u>including by</u> <u>reducing women's responsibility for unpaid care work</u>, promoting youth employment in particular and decent work for all."

Health

• We welcome the commitment made by this agenda to <u>achieving universal health coverage</u>. §24 can indicate the path towards this objective by pointing to the evidence that the public financing and delivery of critical health services is vital to see their poverty and inequality-busting potential realised and to achieve UHC. The majority of countries that have achieved Universal Health Coverage have done so through prioritising spending on health through general taxation. We also need to have the emphasis on reaching the poorest as a priority to avoid the 'low hanging fruit' approach which characterised the MDGs and ensure no one

is left behind.

"To extend healthy life expectancy for all, we must achieve universal health coverage through strengthening public financing and delivery of healthcare. No one must be left behind. We commit to accelerating the progress made to date in reducing infant, child and maternal mortality by ending all preventable deaths of infants, children and pregnant women by 2030 with priority focus first on reaching the poorest and most vulnerable people first."

Land

• Two billion people are dependent on estimated 500 million smallholder farms, in addition to a significant number of producers relying on non-timber forest products and livestock. §25 should recognise the necessity of land rights in building inclusive and sustainable economy. Land rights also enhance food security, advance the right to food, increase the productivity of small-scale farmers, provide an incentive for ecosystem stewardship, and empower women. The recognition of customary land rights is imperative in ending poverty and hunger amongst the most vulnerable communities in the world, particularly indigenous peoples. §25 should acknowledge this by stating:

"We will work to ensure secure and equitable tenure rights for women, men, indigenous peoples and local communities, to promote inclusive and human rights-based development paths."

International Financial Institutions

We welcome §39 in calling for the protection of developing countries' policy space as well
as increase of their voice in the IFIs' governance. At the same time, IFIs must ensure their
work comply with environmental and social safeguards.

"We acknowledge the need for international financial institutions to respect the domestic policy space of all countries, in particular developing countries, least developed countries and small island developing states, without compromising the implementation of the highest standards on environmental and social safeguards."

Means of Implementation

- As many Member States and civil society have pointed out in the closing plenary of the Third Financing for Development Conference, its outcome does not amount to adequate or appropriate Means of Implementation for this Agenda, as it fails to secure sufficient and accountable public finance while giving unconditional support for private sector involvement in development (see Annex 1 for Oxfam's analysis). These issues need to be further examined against the Sustainable Development objectives, and the Post 2015 outcome document should allow room for such deliberations. For this purpose, §33 and 53 should simply "welcome" but not "endorse fully" the Addis Ababa Action Agenda.
- The document should also emphasise that <u>discussions should continue on global measures</u> to improve international tax cooperation to ensure countries can raise more from taxation at a national level, and that donors need to be willing to commit to verifiable timetables to meet ODA promises sooner.

Implementation

We strongly support the new recognition in §32 that "Public finance, both domestic and international, will play a vital role in providing essential services and public goods and in catalysing other sources of finance". The positive impact on sustainable development by business, the private sector and philanthropic organizations can be promoted by adding a caveat, as follows:

"Business, the private sector and philanthropic organizations will-can also make important contributions to resource mobilization and implementation of the Agenda <u>by adhering to development effectiveness principles and being subject to robust environmental and social safeguards reflecting international best practice."</u>

Follow up and Review

• We strongly support the reference to accountability for the new agenda in §42, but propose that the roles of civil society should be strengthened by adding the following sentence at the end:

"In line with the people-centred nature of this Agenda, we encourage and welcome the engagement of all stakeholders, and particularly of civil society, in the follow-up, review and accountability of this new agenda, and commit to provide sufficient opportunities for their inputs in these processes, at all levels."

 Quality disaggregated data is indeed crucial, as called for in §43 and 59, but this would require partnership between governments and all relevant users and producers of data.
 These paragraphs could reflect this recognition by adding the following sentence at the end of each:

"We recognize that third-party data sources, such as those generated by, inter alia, the UN, other multilateral institutions, civil society organizations, research institutions, academia and the private sector are critical to help fill existing data capacity gaps and to provide a robust and accurate picture of progress, at all levels."

 While §58 is right in setting core global indicators, this should be determined by looking at the minimum number of total indicators that will allow countries and the global community to effectively track progress, rather than setting an arbitrary number. We propose adding the following to the paragraph:

"These global indicators should not be bound by arbitrary limits on the number of indicators, and should work to unpack the issues contained within goals, instead of narrowing the scope of measurement. They will also include qualitative and perception-based indicators where appropriate."

 Building upon the successful model of the UN Human Rights Council's Universal Periodic Review (UPR) process, the HLPF reviews should be based on three sets of inputs: a) national reports by Member States, b) information from UN entities, and c) independent reports from civil society. It is critical that <u>the global level of follow-up and review set a "gold standard" for participation of all stakeholders</u>, and in particular of civil society, to encourage national governments to aspire to in their national accountability processes. It is against this criterion that §66 should be strengthened as below:

"We reaffirm that the HLPF, under the auspices of ECOSOC, shall carry out regular reviews of progress in line with Resolution 67/290 and we commit to ensure that the HLPF has sufficient human and financial resources to fulfil its mandate. Reviews will be voluntary, while encouraging reporting, be transparent, open, inclusive, and participatory and include developed and developing countries as well as relevant UN entities. They shall be Stateled, involving ministerial and other relevant high-level participants, and should consider inputs from national governments, information from UN entities, and independent reports from civil society stakeholders. They shall focus on assessment of progress, achievements and challenges faced by developed and developing countries, and provide a platform for partnerships, including through the participation of major groups and other relevant stakeholders. Reviews shall also consider progress of all social and economic groups in order to leave no one behind."

Ends

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Annex 1: Oxfam International analysis of the outcomes of the Third Financing for Development Conference, July 2015

1. Tax:

Developing country governments had held out for an intergovernmental tax body under the UN which would have representational legitimacy, real decision-making power, and the right expertise to reform the governance of global taxes. Negotiations went up to the wire with developing countries holding firm to secure an agreement. Despite this, the changes secured only tweaks to what we already have in the existing UN Tax Committee of Experts. There is no significant change in status or resourcing. What's more it definitely does not signal a move away from dominance of the global tax agenda by the OECD. Ultimately it has been an exercise in naked power.

This issue is not going to go away, and governments must be courageous to take international tax reform to the next step.

2. ODA:

Recommitting to the 0.7% ODA/GNI target was critical to show continued solidarity and justice for the world's poorest communities and countries. Unfortunately the Agenda falls well short of the necessary time-bound, actionable commitments needed to deliver an ambitious and transformative development agenda. With limited public resources like aid ensuring that each dollar is spent as effectively as possibly will be vital.

3. Private finance:

The outcome document puts private finance front and centre of financing for development especially encouraging the use of Public-Private Partnerships and blended financing instruments. However, there is little language in the document to ensure that private finance will deliver for sustainable development, including little language to ensure the building of a strong international framework to protect human rights, social and environmental accountability and ensure the ability of the state to regulate in the public interest.

4. Climate finance:

Though several developing countries spoke of the devastating impacts of climate change which are already affecting their populations today, the FFD has barely dealt with the huge additional burden which will be faced by countries least responsible for causing the problem. Though mainstreaming of climate change into aid is essential, it is not enough. It is unacceptable that an increasing share of aid is used as public climate finance – 17 per cent in 2013 – while overall aid budgets are barely growing. Climate finance is central to the politics of the Paris climate deal later this year, so in the next six months finance ministers have their work cut out to help seal a deal that keeps global warming below two degrees. They need to commit to put a stop to the diversion of existing aid to address climate change, and ensure real new resources are put on the table from government budgets and new and predictable sources of public finance. The European Union should kickstart the process, by ensuring that the financial transaction tax that is being set up in 11 EU countries, as well as the European carbon market helps feed the Green Climate Fund.

Annex 2: Oxfam's Proposed Amendments to the proposed Sustainable Development Goals contained in the Revised Outcome Document

Oxfam welcomes much of the proposed Sustainable Development Goals contained in the Revised Outcome Document, in particular the continued inclusion of standalone goals on reducing inequality and tackling climate change. Oxfam and many other groups regard strong stand-alone goals in these areas as central to the credibility and effectiveness of a new set of global goals.

This short paper sets out 11 proposed amendments to the Zero Draft. Oxfam believes that these are essential if the new framework is to achieve its stated objectives. We hope these amendments to be considered alongside the revisions to targets 3.2, 4.4, 4.6 and 4.c. being proposed by the Co-Facilitators, which we support.

Amendment 1 – Economic Inequality

Keep Goal 10 and change Target 10.1 to 'Reduce income inequality in all countries such that the post-tax income of the top 10 per cent is no more than the post-transfer income of the bottom 40 per cent'

Amendment 2 - Climate change

Keep Goal 13 but add 'By 2020' to Targets 13.1 and 13.2 and change Goal title to 'Ensure climate-resilient and sustainable low-carbon development, consistent with limiting global warming to 1.5°C by 2030'

Amendment 3 - Gender

Re-introduce the timeline "<u>by 2030"</u> into targets and Change 5.5 to 'Ensure full, <u>equal</u> and effective participation and leadership of women at all levels of decision-making in the public and private <u>spheres</u>.

Amendment 4 - \$2 a day poverty

Change Target 1.1 to 'bring to zero the number of people <u>living on less than \$2 a day</u>'.

Amendment 5 – Disaster Risk Reduction

Change Target 11.5 to: 'Significantly reduce disaster risk and social, household, physical and economic losses related to disasters.'

Amendment 6 - Universal Health Coverage

Target 3.c should read "Substantially increase health financing, <u>predominantly from public resources</u>, and the recruitment, development...'.

Amendment 7 - Education

Add '12 years of publicly funded' to Target 4.1. so that it reads 'By 2030, ensure that all girls and boys complete 12 years of publicly funded free, equitable and quality primary and secondary education...'.

Amendment 8 – Food

Add 'national' to Target 9.2: 'Improve <u>national</u>, regional and trans-border infrastructure to promote national, regional connectivity and integration and to facilitate trade.'

Amendment 9 – Tax

Re-insert Target 17.45 from the OWG's Zero Draft on tax avoidance and evasion, which stated 'Cooperate globally to reduce substantially international tax evasion and avoidance'.

Amendment 10 - Energy

Change Target 7.2 to 'Increase to 45%' rather than double, the share of renewable energy.

Amendment 11 - Governance

Change Goal 16's title to 'Achieve peaceful and inclusive societies, accessible to justice for all, and effective, open and capable accountable institutions, and active citizenship.'

Explanatory Note to Proposed Amendments

Amendment 1 – Economic Inequality

The target must include reference to extreme wealth at the top. The 80 richest people own the wealth of the poorest half of the world's population. If the global community fails to curb the widening gap, a host of related economic, social and political problems will ensue, including the undermining of efforts to eradicate poverty. That is why Oxfam is joining those, including former Chief Economist to the World Bank and Nobel Prize winner Joseph Stiglitz, who advocate a robust target to eradicate extreme economic inequality by 2030.

Furthermore, when considering indicators for this target, Oxfam believes Governments measure income inequality using the Palma ratio, measuring the post-tax income of the top 10 percent, and top 1% and top 0.1%, and the post-transfer income of the bottom 40 percent. Governments should ensure that redistributive measures to reduce the gap are implemented as progressively as possible depending on the country context

Amendment 2 - Climate change

The post-2015 framework can only achieve successful development outcomes if it puts a commitment to tackling climate change at its heart. This means the inclusion of a standalone goal, with climate targets integrated across the entire framework that combine a clear commitment to keep global warming below 1.5°C with specific targets to enhance action on mitigation and adaptation to help us share resources equitably and live within our planetary boundaries.

At a minimum, the 2°C target called for in the OWG report should be returned, but Oxfam would urge member states to be more ambitious and agree to keep global warming below 1.5°C. More than 100 least developing countries, small island developing states, other low-lying countries, and African countries maintain that the threshold for dangerous climate change sits closer to global warming of 1.5°C than 2°C. The Executive Secretary of the UNFCCC and members of the climate science community have supported this call.

Amendment 3 – Gender

We welcome a stand-alone goal on gender equality. It is critical to bring the proposed gender goal in line with all other goals, and to reinstate the timeline "by 2030". A lesson learnt from the MDGs is that timelines work specifically well with gender policy and allow for better data generation and monitoring. Women's <u>equal</u> and effective participation in all levels of decision making in <u>all</u> spheres (i.e. the home and in public life is critical to achieving gender equality and meaningful change in women's lives), and therefore must be specifically mentioned in the target on effective participation as per the previous draft.

Amendment 4 – \$2 a day poverty

Reducing the income gap between the top 10 per cent and the bottom 40 per cent could lift 154 million out of extreme poverty by 2025 (Brookings). Addressing inequality would make the more ambitious target to eradicate \$2 a day poverty more achievable.

Amendment 5 - Disaster Risk Reduction

We welcome the representation of DRR and resilience throughout the document. Our specific amendment is to strengthen the disasters target under the cities goal. This focuses on losses, which are entirely backward-looking and dependent on the hazard profile. Thus we propose to include the reduction of disaster risk (a composite of hazard, exposure and vulnerability) which looks to future losses and will require an anticipatory approach to reducing vulnerability.

Amendment 6 – Universal Health Coverage

It is critical that public financing for health care is scaled up. The countries making most progress towards Universal Health Coverage have prioritized public financing of healthcare from general taxation, rather than relying on insurance premiums or out-of-pocket payments by individuals. Relying on private, voluntary financing mechanisms has never seen UHC achieved in any country, while Social Health Insurance often leaves the informal sector behind.

Amendment 7 - Education

Making this amendment would bring the SDG framework in line with the World Education Forum Declaration that has been endorsed in May 2015 by 160 countries.

Amendment 8 – Food

Oxfam welcomes many targets in the goal, particularly the stated focus to support small-scale producers and attempts to link agricultural and environmental outcomes. However, rights-based language is conspicuous in its absence. Oxfam believes that a rights-based framework should be front-and-centre in any proposed goal to end hunger, as it represents the most effective framework to address inequalities within the food system and place people at the centre of development efforts.

Amendment 9 - Tax

Tackling tax evasion and tax avoidance must be an urgent priority - illicit financial flows accounted for the loss of around \$950bn from developing countries in 2011. Greater efforts to improve tax transparency and co-operation are urgently needed, including the development of indicators to efficiently measure progress in the fight against tax dodging.

Amendment 10 – Energy

Oxfam supports the recommendation put forward by WWF that in order to achieve a 100% renewable energy sector by 2030 we need to reach 45% by 2030, with a far more rapid renewable energy expansion from 2030 to 2050.

Amendment 11 - Governance

A governance and citizenship goal should promote a virtuous and re-enforcing cycle between effective institutions and active citizens. The 'power asymmetries' between elite or corporate interests and poor people mean that how public institutions are set up and function matters – pro-poor legislation, policies and spending is often a hard fought win, not a given.