



Transforming global development

An LDC perspective on the post-2015 agenda

Least Developed Countries
Independent Expert Group

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About the authors

The LDC Independent Expert Group on the Post-2015 Agenda consists of 13 development experts from Least Developed Countries who have come together under the auspices of IIED to provide ideas and challenges that support a more ambitious, effective and fair global set of goals for environmental sustainability and human development. For further information see www.iied.org/least-developed-countries-independent-expert-group

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Least Developed Countries (LDCs) have much to contribute to forging a new global agreement on development to replace the Millennium Development Goals after 2015. But there is a significant risk that LDC positions and perspectives will get insufficient attention as the post-2015 negotiations move forward. Individual LDC negotiating power is weak, but as a group they can be powerful. This paper, prepared by an independent group of experienced development practitioners from LDCs, explores global development issues of most relevance to LDCs and offers suggestions on common positions that would help LDCs assure that their development objectives are effectively incorporated into the post-2015 framework and goals.

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Summary

In statements to the last UN General Assembly and other forums, LDC leaders are calling for the international community to chart a new way forward for development post-2015. They have witnessed both the positives and negatives of the development system and the implementation of the MDG framework over many years and understand that new directions are required to meet the challenges the world is facing.

LDCs are the countries where human deprivation and environmental threats, notably climate change, most strongly converge. Their stake in the post-2015 agreement is therefore very high. This paper offers suggestions, based on LDC perspectives and experience, on how to achieve an effective post-2015 agenda. It has been prepared by the LDC Independent Expert Group (IEG) on the Post-2015 Development Agenda — 13 senior LDC professionals with extensive expertise in sustainable development.¹

The issues LDC leaders raise on the post-2015 agenda and framework demonstrate their countries' many common priorities despite their vast diversity. Much of this shared agenda is already laid out in the Istanbul Programme of Action for the Least Developed Countries for the Decade 2011–2020 and other development strategies of LDC countries and country groupings. Yet despite this foundation, there is a significant risk that LDC positions and perspectives will get insufficient attention as the post-2015 negotiations move forward. Individual LDC negotiating power is weak: they lack the human resources, technical capacity and geopolitical power that are needed to prevail in international debates. But as a group they can be powerful, and this paper offers an initial framework that LDCs could develop further and promote jointly.

Over the past ten years, LDCs have taken a collective approach in the UNFCCC climate negotiations, which has helped them to put forward strong positions and build alliances of solidarity with other countries and country groupings.² It is a model that could usefully be adopted in the upcoming post-2015 negotiations and their follow-up.

This paper sets out eight main points as an LDC perspective:

1. The crises and changes that the world has encountered since the United Nations member states agreed the Millennium Declaration in 2000 bring into sharp focus the complexity of global development challenges. Every country has proven vulnerable to economic, environmental and political crisis, **but Least Developed Countries (LDCs) by definition face the greatest development challenges, and are therefore among the biggest stakeholders in the post-2015 process.**
2. **The upcoming post-2015 negotiations hold both opportunities and dangers for LDCs.** The stronger their engagement, the greater their chance of beneficial outcomes. This paper offers perspectives from a group of senior development professionals from LDCs on the main challenges facing the world post-2015. It suggests how international cooperation, building on existing frameworks and strategies such as the Istanbul Programme of Action for the Least Developed Countries (IPoA), and alliances of solidarity can help to address them.
3. Poverty remains among the world's greatest collective challenges, and the MDG agenda must not be dropped. However, **the MDG approach of using discrete goals and targets to address different dimensions of development has demonstrated its limitations.** Progress post-2015 will require a strategic, holistic approach that acknowledges the inter-relationships between these dimensions and focuses on root causes of problems rather than symptoms.

4. Economic growth is essential to development in LDCs, but the prevailing growth model is not improving the wellbeing of the poor. It increases inequality and its attendant social discontent and is damaging to the global environment. **National and sub-national economic strategies need to aim for a balanced mix of economic, social and environmental benefits that can be equitably shared, rather than aiming purely for GDP growth.**
5. **Development of LDCs cannot be achieved without actions by other countries that go well beyond providing aid.** To succeed, the post-2015 agenda must seek to end patterns of production and consumption that are fed by the unsustainable use of public goods, extraction of natural assets and by exploitation of developing countries' labour.
6. **New approaches to national development need to be supported by a wider global economic transformation, which the post-2015 agenda can help usher in.** That transformation needs to involve much greater market share for enterprises that generate social and environmental co-benefits, investment by governments and the private sector in resilience, and moves towards sustainable, non-exploitative, production and consumption.
7. **Because of the scale and scope of the challenges, a new type of global agreement is needed from which no country is exempted or can exempt itself from responsibility for addressing global problems.** This in itself is a huge global challenge, as the last two decades of negotiations on climate change demonstrate. The areas in which action is required, from ending poverty to adopting low-carbon economic strategies and practices, should be the same for all countries, although the specific actions will necessarily vary depending on circumstances.
8. **A renewed commitment to achieving sustainable and equitable global development will call for a major scaling up of finance and retooling of the institutional framework for international development.** This must include innovative approaches to development finance that can eventually replace the existing insufficient and outmoded system of official development assistance. There is also a need to examine how an international development agenda can be implemented most effectively and efficiently, and reassess the role of existing international organisations as delivery channels.

"Today, more than at any other time, we have an opportunity to transform our world; to pursue an agenda that will eradicate poverty while at the same time sustaining nature to secure natural resources for future generations. The solutions of yesterday may not apply to today's challenges, so we must muscle the courage to take bold steps. I therefore call upon this assembly to reflect on the emerging challenges we face, to boldly seize new opportunities, and to commit ourselves to a new global partnership that promotes economic and social transformations for an inclusive and shared prosperity for all."

President Ellen Johnson Sirleaf of Liberia, addressing the UN General Assembly in 2013³

Reimagining development post-2015

The post-2015 process offers an opportunity to redefine development and how to achieve it in today's complex and interconnected world. Poverty remains our biggest global challenge, but it is linked to other challenges, from economic instability to climate change. LDCs can take many actions themselves to improve the lives of their people, but those actions must be matched by a broader transformation towards a sustainable and equitable global economy.



The core challenge: ending poverty now and forever

Poverty has been widely and rightly identified as the greatest development challenge in the world today, for the moral failure it represents, the destabilising effects it has on society and the drag it exerts on economic development. Poverty is also a global issue because it occurs globally; it is embedded in the structure of the global economy and induces large-scale migration from poor to richer countries.

While poverty exists in every country of the world, in LDCs it is pervasive. Almost half the population in LDCs, nearly 450 million people, falls within the international definition of “absolute poverty” — that is, earning less than US\$1.25 per day.^{4,5} Many millions more endure severe deprivation. Poverty in LDCs is more persistent than anywhere else, and even where poverty rates are going down, raw numbers remain high. For example, in Bangladesh, which is considered a success story with a decline in poverty of 16 million people (26 per cent) between 2000–2010, nearly 50 million people are still living below the international poverty line.⁶

The limited progress that LDCs have made in reducing poverty, despite significant effort by many governments and investment by development partners, underlines the need to take a fresh look at poverty’s causes and manifestations in order to confront failed approaches and develop new strategies. Three inter-related lessons from past efforts at reducing poverty stand out:

- First, poverty cannot be addressed separately from other aspects of economic, social and political deprivation and insecurity.
- Second, the growth model that prevails in the world today is not an effective instrument for ending poverty or improving the wellbeing of the poor.
- Third, global patterns of production and consumption that breach the planet’s environmental carrying capacity endanger everyone’s future, but hurt the poor most immediately and strongly.

For a post-2015 agenda to truly serve the needs of LDCs, and indeed all countries, it must take these three lessons into account.

“[T]he past 13 years have taught us about the importance of the linkages between these goals. A poor family is not just economically deprived. It is also likely to face a host of other challenges such as environmental vulnerability, abuse of human rights or limited access to essential services. Lifting people out of poverty therefore requires a holistic approach.”

President Joyce Banda of Malawi⁷

Designing a holistic approach to improving the lives of the poor

A major, and widely agreed, shortcoming of the Millennium Development Goals (MDGs) was to treat the multiple dimensions of human and social deprivation through discrete, issue-specific goals and strategies. While it is useful for the global community to agree on a set of individual issues around which goals can be designed, many of the international efforts to achieve the MDGs, especially in LDCs, were hampered by the lack of a strategy grounded in the specific contexts of individual countries and addressing root causes and building synergies among goals areas.

For LDCs, the fundamental aim is development itself, and the challenge is constructing a society that sustainably generates the flow of benefits that define development. Food security is not an end in itself, but is an essential element of any poverty eradication strategy. And achieving food security depends on effective management of natural resources, policies that support equitable distribution of social services, and strategies to address the impacts of climate change on food systems. Similarly, empowering women and marginalised groups is fundamental to achieving social equity, but it is not enough to open schools and enact anti-discrimination laws. Actions are required on diverse fronts, including within households, where social inequality is often rooted.

Learning on designing holistic strategies may be found in the development successes that LDCs have had over the past 20 years, particularly in the areas of health and education. For example, research from the World Bank suggests that the large drops in child mortality rates in poor countries come from multiple converging factors and interventions.⁸

Reconfiguring national economies to generate development benefits

While economic growth is occurring in most LDCs, sometimes at impressive rates, it is not translating into poverty reduction, job creation or other development benefits.⁴ Between 2006 and 2012, gross national income in LDCs nearly doubled,⁵ while human assets indices barely budged.¹⁰ Growth alone is therefore not the answer: the post-2015 agenda must support and facilitate forms of economic growth that deliver development benefits.

A look at the characteristics of growth in LDCs helps explain why it is not generating development benefits. With agriculture and manufacturing either stagnant or declining in most countries, the expansion of extractive industries, largely by foreign corporations, is driving LDC growth.¹¹ It is also destroying environmental assets and appropriating ecological goods and services that poor people depend on, without generating jobs and often without contributing tax revenues that could fund social services.¹²

LDC economies need to grow, but in ways that bring sustainable and equitable prosperity. Alternative growth models that increase production for domestic use while reducing extraction for foreign consumption could help reduce poverty in the short term by creating new jobs. However, that model too could become environmentally unsustainable over the long term, as poverty falls and demand rises for food, energy, land and scarce natural resources. Indeed, commodity extraction in LDCs is booming exactly because wealthier countries are already consuming at a scale far beyond the rate of resource regeneration within their own borders.

The first step in moving to a new growth model is to support local economic capacity. The post-2015 agenda needs to support LDCs to reward innovation, increase agricultural investment to improve the income-earning opportunities of rural households, create jobs that encourage skilled citizens to stay in the country, and seek out foreign investment that nurtures rather than exploits national assets and capacities. Particularly in the LDC context, there is much scope for small businesses and micro-enterprises to fill the gaps in the economy where there are opportunities to create wealth based on national human and other assets.

“Many people have argued that the best strategy to achieve the Millennium Development Goals is to realise GDP growth. However... in my view, it is income into poor households that must come first.”

President Joyce Banda of Malawi

“While my Government recorded a GDP growth of 7.3 percent in 2012, we recognise the fact that it is equally important to ensure that we put in place specific measures that will promote equality and social justice in the labour market.”

President Michael Chilufya Sata of Zambia.⁹

Building a sustainable and equitable global economy

There is much that LDCs can do for themselves or with international support to improve the lives of their citizens. But to make real progress in transforming LDC economies, a broader transformation of the global economy is needed. The accelerating economic and environmental catastrophes of the past decade can easily be traced to a flawed, extractive economic model that serves a small consumer base globally and is perpetuated by a highly imbalanced political economy of power. Capitalism can be conceived in many ways, and the post-2015 negotiations offer an opportunity to define it differently from the prevailing model, which has demonstrably failed.

Because LDCs have been among the major losers from the existing economy, they have strong standing to speak up for a new model. They also have experience that can help in defining its characteristics, which should include:

- Policies and incentives to nudge the economy towards **a balanced and synergistic mix of competitive markets and cooperative and voluntary mechanisms** for producing and delivering goods and services.
- **Investment in resilience** by businesses and governments, in order to prepare better for both expected and unforeseeable changes and shocks.
- **International trade rules and practices that are applied equitably and allow space for LDCs to build their economies** through industries that create decent work, improve the incomes of poor households and use natural resources sustainably.
- **Introduction of international rules on compensation for loss and damage**¹⁴ to discourage extractive and predatory economic behaviours,

coupled with promotion of sustainable lifestyles to reduce inequities, between countries and social groups, in the consumption of natural resources and other public goods.

Driving transformation

Strategies to achieve global goals such as poverty eradication and to move towards a more sustainable and equitable world must first identify what drives beneficial change. For LDCs, some of the key drivers and entry points for change are these:

- **Social institutions and movements** are powerful forces for change and have the advantage of working in and across scales from local to international. However, they are often marginalised and distrusted by governments and international agencies. Transformation will require giving these essential development actors a formal, recognised and legitimate role in development processes.
- **Social enterprises** in the form of small businesses embedded in local communities, linked to social networks and generating societal benefits, have the potential to foster real cultural shifts in the private sector. But scaling up has been constrained by weak

policy support and limited incentives.

- **Corporate responsibility** is far from reaching a tipping point, but consumer pressure and incentives could help scale it out and change corporate behaviours that exacerbate global challenges such as climate change, resource depletion, poverty and inequality.
- **Public sector policy and economic activity.** In LDCs, public sector economic activity is substantial and often represents a high percentage of GDP. Thus, a government policy on sustainable public procurement could give national economies a strong nudge in a more sustainable direction.
- **The media** can expose the weaknesses of the current paradigm and rally public opinion around an agenda of change. In order to be able to drive positive change, however, journalists need to gain a good understanding of development issues and how to report on them effectively.

“While some have been able to achieve tremendous economic growth and prosperity, millions of people continue to languish in inhuman depths of poverty. Our relentless drive for economic growth has come at the cost of our environment. Climate is changing. Natural disasters hit us with increasing frequency and severity. The natural question then is: how do we advance economic growth, and promote societal progress and prosperity within the confines of nature? How do we lift the millions of people out of the vicious cycle of poverty? How can we ensure that we leave a planet safe and secure for our children and grandchildren? These, I believe, are the key questions that confront us all.”

Minister for Foreign Affairs Lyonpo Rinzin Dorje, Bhutan¹³

Redefining international development cooperation

International cooperation is needed now more than ever to achieve the globally agreed and deeply entwined aims of poverty eradication, equity, environmental sustainability and resilience. The fundamental lesson of the Millennium Development Goals, and of the major global events of the past decade, is that cooperation must be underpinned by new kinds of partnerships that lay out the responsibilities and commitments of every nation. It will require actions on many fronts in all countries. Any lesser ambition would offer little of lasting value.



“In carrying out this agenda, it is important that we extirpate from our vocabulary and from our attitude the dichotomy that attempts to group the members of the United Nations family, to which we all belong, in two categories; the generous and the deprived people, because in this partnership each of us complements the other with one’s natural and human blessings. Those who do not contribute with financial resources, do contribute in kind.”

President Armando Emilio Guebuza of Mozambique¹⁵

A truly universal compact based on shared responsibility and solidarity

While there is wide agreement among countries that the successor agreement to the Millennium Development Goals (MDGs) must reflect the principle of universality (see box 1), there is yet no clear consensus on what that would mean in practice.

BOX 1. THE UNIVERSALITY CHALLENGE OF THE POST-2015 FRAMEWORK

The United Nations General Assembly, in its 2013 special session on post-2015, called for a global agreement that is “universal in nature and applicable to all countries, while taking account of differing national circumstances and respecting national policies and priorities”.¹⁶ In the report of the UN High Level Panel on Post-2015, universality is interpreted as an agenda that addresses universal challenges of the 21st century that affect all countries and that require action by everyone.¹⁷ Both of these descriptions of universality can be interpreted in a variety of ways.

From an LDC perspective, the universality concept could be broken down like this:

- **Shared responsibility**, from which no country is exempted or can exempt itself, for addressing global challenges. This implies that to define the solutions to global challenges such as poverty and climate change, all countries must accept themselves as part of the problem as well as part of the solution.
 - **Global collective action** on issues that affect countries’ ability to achieve sustainable and equitable development, for example climate change and trade.
 - **Solidarity**, whereby people support one another, work together to solve common problems and accept responsibility for the damage their actions on others (for example, climate change, environmental damage or unfair labour practices).
- Among the commitments to action needed from every country to achieve sustainable and equitable development are:
- **Fostering relationships of trust between states and their citizens.** In many countries, including LDCs, there is a need to develop effective forms of participatory governance to empower citizen engagement, create political stability and improve the investment climate.
 - **Actions to mitigate climate change.** Climate change is a major obstacle to development in LDCs and threatens to undo progress towards poverty eradication and improved human wellbeing. All future global development strategies must be based on that reality. This is particularly important for LDCs where poverty and political and economic vulnerability most dramatically converge with and exacerbate the impacts of climate change and environmental degradation. All countries need to be mindful of the spillover effects of that convergence, through increasing rates of migration within and out of LDCs, for example.
 - **Economic governance instruments** that encourage businesses to generate social benefits and discourage extractive, rent-seeking behaviours that draw down national assets and perpetuate poverty for the cheap labour it provides. In their efforts to modernise their economies, LDC governments often ignore the needs of local small and medium enterprises and informal sector businesses that deliver tangible social benefits, while offering concessions to foreign corporations that do not.¹⁸
 - **Democratic systems for the sustainable and equitable management of natural resources and other public goods** at appropriate scales (local, national, between neighbouring countries that share public goods, and global). LDCs currently have little influence over how international or transboundary public goods are managed and allocated, and as a result, often wind up on the losing side.
 - **Policies and programmes to foster social and economic equity**, with particular attention to women, poor households and other marginalised groups. In LDCs, education for girls remains a challenge. While education may be available, complex factors and deeply entrenched attitudes and practices contribute to low attendance and high dropout rates.

BOX 2. A PRACTICAL APPROACH TO SETTING GOALS AND TARGETS

Many recommendations have been made regarding the development of post-2015 goals and targets. But perhaps it is more important to define the principles that should underpin the goal and target-setting process.

Rather than starting with an agreed set of goals and working down from them to strategies, the post-2015 agenda needs to start with agreement of broad development aims (ending poverty, achieving equity, sustaining the environment, for example) and work upwards through the multiple, inter-related actions needed to achieve them.

Goals and targets can then be defined in ways that spell out their connections. Time horizons for achieving targets need to be realistic. LDCs were not able to meet many, or in some cases any, of the MDGs within the goals' 15 year time frame. Thirty years is likely to be a more appropriate horizon for the ambitious agenda that is forseen.

Action is also needed to help poor households build their capacity to transform their limited assets into sustainable and resilient livelihood strategies.

- **Preparing the next generation to participate in society and the economy.** Youth unemployment is a major challenge worldwide, and is linked to a growing disconnect between what young people learn in school and the skills they need to survive and thrive. Young people make up a large percentage of the populations of most LDCs. If given opportunities, they could contribute greatly to development, but if left behind they could be the source of many problems. Although LDCs have made progress towards achieving universal primary education, much more investment is needed in building institutions and systems of higher education to nurture young professionals and future leaders.

Some of the collective commitments that the international community must make are:

- **A global agreement on reducing greenhouse gas emissions.** Climate change represents the greatest immediate threat to global prosperity; no post-2015 agreement can achieve its aims without a parallel ambitious international commitment on climate change mitigation.
- **A new international agreement on governance of the high seas.** New issues have arisen since the UN Convention on the Law of the Seas came into effect in 1994, including the climate change implications of ocean acidification and the intense exploitation of deep sea fisheries. These unregulated impacts threaten not only the livelihoods of the millions of poor households in developing countries that depend on fishing, but the wellbeing of the planet.
- **Democratisation and restructuring of global institutions.** The inequity inherent in institutions such as the World Trade Organization, World Bank

and International Monetary Fund helps to perpetuate an outmoded world order, which undermines development by limiting poorer countries' capacity to represent their own interests and impedes their geopolitical progress.

Defining a new architecture and resource mobilisation strategy

"A new international development architecture is needed."

Minister of Foreign Affairs François Lounceny Fall, Guinea¹⁹

The international development system and architecture, which took the centrality of aid as the main mechanism for development cooperation, evolved in a different era and in response to different needs from today. We need to move towards a system that facilitates negotiation, cooperation and mutual support on specific development issues such as trade, climate change, or biodiversity. The changes that are needed include:

- **Moving from projects to transformation — and the financing to support this.** Achieving the aims of a global development agenda will require much greater resource mobilisation and investment than was the case for the MDGs. The new model must support broad social and economic transformation at appropriate scales, rather than simply delivering projects. That will require governments, donors, investors and social actors to work in partnerships rooted in achieving shared values rather than individual interests. In terms of finance, there are some directions and lessons to be drawn from the emerging climate change finance architecture, for example, direct access and the Green Climate Fund.

- **Partnerships grounded in equity and solidarity.** Future development cooperation needs to be based on an equitable assessment and negotiation of all countries' contributions and responsibilities. The MDGs were grounded in an inequitable partnership, where the rich countries provided funding to support actions in and by developing countries. That must be replaced with a balanced partnership, with much more attention to the positive contributions that developing countries, including LDCs, can make to global sustainable development. Solidarity implies mutual support between and among nations to achieve a common vision to which all are committed. And it offers a much stronger footing for mutual collaboration than the unequal dichotomy between rich and poor countries that has defined development cooperation in the past.
- **Redressing the imbalance of power.** LDCs need to start bringing their own resources to the table if they truly want to change the current system. There are experiences and ideas to build on: Bangladesh used its own climate change trust fund to leverage its influence on international climate funds committed to the country. Ethiopia has now issued two bond instruments targeted at the Ethiopian diaspora. The right conditions for such approaches exist in other LDCs. In Haiti, for example, remittances from citizens living and working overseas already bring four times as much to the economy (US\$2 billion) than donors (US\$500 million), suggesting a large potential market for diaspora bonds. International action to close transnational corporation tax havens could bring substantial additional revenue into LDC government coffers that could be used to improve education, healthcare and other public services.²⁵ LDCs will also increase their power by putting strong, nationally legitimate and non-negotiable development plans on the table, and by working in solidarity with one another in global negotiations.
- **More effective and accountable international institutions.** Most international development organisations were established in a very different time and to deal with different problems from those we have now. The governance of many international institutions is based on an increasingly outdated geopolitical balance of power and promotes political positions that favour those power relations. While the UN is making an effort to reform its institutions, it is shackled by the lack of a holistic strategy and culture of collaboration, by unwieldy bureaucracies and by inefficient systems. As a group, UN institutions lack the ideological orientation or capacity to deliver an ambitious post-2015 agenda effectively. Countries must undertake a comprehensive and critical assessment of these institutions as part of the development of a 'means of implementation' strategy. This would identify and define roles for the

BOX 3. A ROLE FOR THE PRIVATE SECTOR IN DEVELOPMENT FINANCE?

There has been much discussion about the potential of the private sector to invest in a post-2015 development agenda. The report of the High Level Panel on Post-2015, for example, suggests a major role for corporate investment. However, there is little evidence of private sector interest in supporting actions that generate low returns, such as improving the lives of the poor, while there is evidence of 'cherry picking' the most potentially profitable areas of intervention — the production and sale of carbon mitigation technologies to developing countries, for instance. LDCs must also be alert to strategies that could increase the role of large foreign corporations in their economies, undermining the development of the indigenous private sector, which largely comprises small, medium and informal sector enterprises.

many institutions, most of them at local and national levels, that can contribute to delivering the post-2015 agenda. Such an assessment should also consider roles for newly emerging global and regional institutions, such as the BRICS Development Bank.

- **Reforming and moving beyond aid.** The donor-recipient dichotomy has become a constraint to progress by keeping LDCs in the position of supplicants and reducing their incentives to define their own development path. These unequal relationships also distort the relative contributions of national institutions and donors by overstating the impact of development assistance and understating the contributions of national governments and institutions. The gains that LDCs have made on MDG indicators have clearly been due to multiple factors, of which official development assistance is only one. Actions taken by LDC governments themselves and other factors such as remittances from migrants and overseas workers may have been equally or more important. The aid system that has evolved over the past half century is not suited to the world today, where development problems require new forms of collaboration and commitment. As Tanzania's Chief Secretary recently noted, the post-2015 agenda "must focus on reducing dependence on international partners".²⁶

The transition from the current aid-centred system should begin by transforming the relationships between donors and recipients into real partnerships of transparency and accountability, with both sides

BOX 4. SOME OF THE CONTRIBUTIONS TO GLOBAL DEVELOPMENT COOPERATION THAT LDCS CAN MAKE

- **Experience-based assessment of past development cooperation experience**, including the MDGs, as a basis for developing new strategies and instruments.
- **Models of transformative economic strategies that 'leapfrog' carbon-emitting technologies.** At least nine LDCs have embarked on 'low-carbon resilience' development strategies: Bangladesh, Bhutan, Cambodia, Ethiopia, the Gambia, Laos, Mozambique, Nepal and Rwanda are already generating lessons on how countries can switch to low carbon development pathways.²⁰
- **Alternative approaches to development and measures of progress** that can offer guidance on how to develop targets and indicators that measure what matters. Bhutan's Vision 2020 for Peace, Prosperity and Happiness development strategy and Gross National Happiness indicators are prime examples.²¹
- **Learning on social and human resilience and disaster response**, which can contribute to international cooperation on climate adaptation and disaster management. For example, policy recommendations on climate change adaptation in the Himalaya region have been informed by research on local responses to too much and too little water in Nepal and other countries in the region.²²
- **Long-standing cooperative ways of working and more recent proliferation of small social enterprise**, which can offer learning on how to construct a more equitable and sustainable global economy. Bangladesh has been a social enterprise trailblazer, with long-standing major institutions such as BRAC and Grameen Bank flourishing, expanding and encouraging other enterprises to join the field.
- **Innovative financing mechanisms**, such as Ethiopia's diaspora bond instruments²³ and the Bangladesh Climate Change Trust Fund,²⁴ which demonstrate how poor countries can mobilise national resources for development.

focused on achieving impact on the ground and getting resources to intended beneficiaries. This will require a far greater commitment to reform on the part of donors than has been the case so far: a 2011 evaluation of the Paris Declaration on Aid Effectiveness indicated that despite its good intentions, the declaration has had only limited effect on reforming donor practices. Donors have done particularly poorly in aligning aid to national priorities rather than their own, in implementing mechanisms for mutual accountability, in making aid flows more predictable, and in coordinating their efforts rather than competing with one another. In contrast, the evaluation found that recipient countries made "significant progress" in undertaking their Paris Declaration commitments.²⁷

Developing countries including LDCs can capitalise on the changes in the aid landscape that are now occurring. These include the diminishing role of bilateral aid and the entry of new actors and institutions, including some, such as climate finance instruments, which have the potential to be more responsive and democratically governed.

Entrenched systems do not move quickly and these big shifts will take time. On the other hand, support for the current system is weakening, both in developing countries, which want to set their own development directions, and in cash-strapped donor countries, which have growing problems of their own to deal with.

BOX 5. PUBLISH WHAT YOU PAY

By making information on aid flows publicly available, both donor and recipient governments would become subject to citizen pressure to spend aid money effectively. The Publish What You Pay initiative,²⁸ which provides information on spending by extractive industries, offers a potential model that could be applied to aid spending.

Looking forward

The post-2015 process will soon move from general discussion and debate to formal negotiations. The outcome of those negotiations will have substantial implications for LDCs, as it will provide the template for global development action for many years to come. LDCs need to engage actively in the negotiating process to assure that not only the issues of greatest importance to them, but also their substantial experience and expertise, are taken on board. The ideas and positions put forward in this paper may help LDC governments, and members of their negotiating teams, to frame issues, identify alternatives and trade-offs and offer evidence for the positions they put forward.

The post-2015 negotiating table is uneven and not tilted in favour of LDCs. However, by working together to create strong collective positions, and in solidarity

with other groups facing similar challenges, LDCs can overcome their disadvantages and even take a leading role in the post-2015 process.

As the post-2015 process gains momentum over the coming months, the Least Developed Countries Independent Expert Group (IEG) will be conducting research that responds to the information needs of LDCs, both in terms of their participation in the UN negotiations and in the subsequent national-level target-setting, planning and implementation processes. IEG members will be encouraging and joining into post-2015 discussions in their own countries and seeking national partners with whom to carry out grounded research on how a global development framework can most effectively support progress on overcoming the challenges that LDCs face individually and collectively.

Notes

1. www.iied.org/least-developed-countries-independent-expert-group
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Related reading

- LDC Independent Expert Group 2013. Taking a lead on the post-2015 agenda: priorities for least developed countries. <http://pubs.iied.org/17163IIED>
- Geoghegan, T. 2014. Convergence and contention: The least developed countries in post-2015 debates. IIED. <http://pubs.iied.org/17202IIED>

Least Developed Countries (LDCs) have much to contribute to forging a new global agreement on development to replace the Millennium Development Goals after 2015. But there is a significant risk that LDC positions and perspectives will get insufficient attention as the post-2015 negotiations move forward. Individual LDC negotiating power is weak, but as a group they can be powerful. This paper, prepared by an independent group of experienced development practitioners from LDCs, explores global development issues of most relevance to LDCs and offers suggestions on common positions that would help LDCs assure that their development objectives are effectively incorporated into the post-2015 framework and goals.

IIED is a policy and action research organisation. We promote sustainable development to improve livelihoods and protect the environments on which these livelihoods are built. We specialise in linking local priorities to global challenges. IIED is based in London and works in Africa, Asia, Latin America, the Middle East and the Pacific, with some of the world's most vulnerable people. We work with them to strengthen their voice in the decision-making arenas that affect them — from village councils to international conventions.



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