Opinion on the least developed countries and the post-2015 agenda

- At the request of the Minister for Development Cooperation Alexander De Croo, in a letter of 18 February 2015
- Prepared by the international relations working group
- o Approved by the General Meeting in a written procedure on 22 May 2015¹ (See annex 3)
- The original language of this opinion is Dutch

1. Context

- [a] September 2015 should see the UN² meet in New York to take a decision on a set of SDGs³. The special 'Open Working Group' on SDGs has drawn up a proposal⁴ for 17 SDGs and 169 targets.
- [b] The EU is working on new Council conclusions which will form the basis of its approach in the last phase of negotiations over the set of SDGs and their implementation by UN member states in the years after 2015.
- [c] 2015 is an important year for the least developed countries (LDCs)⁵, with three conferences whose results could have beneficial consequences for them: the Financing for Development (FFD) conference in Addis Ababa⁶, the summit on SDGs in New York, and the COP21 climate conference to be held in December in Paris⁷.
- [d] In response to Mr De Croo's request, this opinion will focus on the position of LDCs in the post-2015 process. Later the council will issue an opinion on the conversion of the SDGs into policy in our country.
- [e] The recommendations in this opinion mainly relate to development cooperation policy, but may also be seen as broader proposals for a consistent internal and external policy for the benefit of LDCs, in accordance with the principles of policy coherence (PCD)⁸.
- [f] It lies outside the remit of this opinion, but it might also be helpful to think further about the terms 'least developed countries' and 'fragile states'. Recently the OECD published a report calling for an expansion of the concept of fragile states⁹.

2. Opinion

2.1. A strong commitment to the various political processes in 2015

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¹ With a dissenting vote from Vanessa Biebel (VBO) for the opinion as a whole.

²See this site on the Post-2015 process.

SDGs = Sustainable development Goals. The SDGs are the successors of the millennium development goals. As part of the <u>Post-2015 process</u> negotiations are currently under way on a set of SDGs. An agreement is expected in September 2015.

⁴ See the proposal of the Open Working Group.

⁵The term 'least developed countries' (LDCs) is defined by the UN as a <u>category of countries meeting certain criteria</u>. Currently there are 48 LDCs.

⁶See the website for the conference in Addis Ababa.

⁷See the <u>official conference site</u>.

PCD = Policy Coherence for Development

⁹ OECD, <u>States of Fragility 2015. Meeting Post-2015 Ambitions</u>. The report considers five aspects: "1) violence (peaceful societies); 2) access to justice for all; 3) effective, accountable and inclusive institutions; 4) economic foundations; 5) capacity to adapt to social, economic and environmental shocks and disasters."

- [1] The council calls on Belgium to demonstrate a strong political commitment to making the three big conferences of 2015 a success. Whether the SDGs can be a success for the LDCs is largely dependent on what is agreed at the FFD conference in Addis Ababa and during the Paris climate conference.
- [2] By comparison with the MDG process ¹⁰, the SDG process is broader. The goal is more systematic in nature, with a universal approach and with more attention for the different aspects of sustainability and inequality. This offers the international community an opportunity to offer an answer to the absence of political action in crucial areas such as climate, raw materials and decent work. A coherent policy is needed.

2.2. Inclusive sustainable development

- [3] The council calls on Belgium to lend its explicit support to inclusive sustainable development for the benefit of LDCs¹¹. This development must benefit all social groups, especially the most marginalised, and must go hand in hand with a reduction in poverty and the varied forms on inequality (including income inequality). Inclusive sustainable development presumes the participation of all groups and demands proactive government, in application of principle 10 of the Rio Declaration. Not only redistributive expenditure is important. There is also a need to ensure access to rights through the creation of decent work, the removal of barriers to participation, the maintenance or development of supporting public services, a policy of non-discrimination and a determined policy of gender equality.
- [4] The LDCs have been disproportionately hit by the economic and financial crisis of recent years, by climate change, by the exhaustion of raw materials and by environmental degradation. International action programmes for the LDCs must therefore be strengthened and pursued ¹². In lending its support to the further development of industrial capacity in the LDCs through sustainable industrialisation the council calls upon Belgium to place a firm emphasis on decent jobs, sustainable production and consumption, sustainable agriculture and policy coherence. This must all mean that a larger proportion of the added economic value created through the transformation of raw materials by secondary sectors can remain in the LDCs themselves. There must be a special focus on supporting SMEs in the LDCs.
- [5] The council calls on Belgium to lend the LDCs its active support in conducting a policy for social protection. The intention is that in time, LDCs will be able to build a social protection system using their own resources. In developing the necessary capacities to do so, they must be able to rely on international support via ODA¹³. The proposal for a Global Fund for Social Protection¹⁴ should also be investigated further. Support is also necessary for an adapted tax system (focused on progressive taxation) and a strengthening of the capacity of the tax services in LDCs. All of this is conditional upon a more broadly supportive and fair financial policy which should be the outcome of the FFD conference. This should include more attention to how to deal with illegal financial flows, tax havens and corruption.
- [6] The council calls on Belgium to support the proposal to upgrade the existing UN expert committee on international cooperation in fiscal matters to an intergovernmental body. This body should have a broad remit for international fiscal cooperation and sufficient resources to fulfil this mandate. The

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¹⁰MDG = Millennium Development Goals. The Millennium Development Goals expire in 2015. The SDGs are their successors.

¹¹ The OWG proposal for SDG 8 states: "Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all".

¹² This should include the implementation of the <u>Istanbul Programme of Action</u> (IPoA). ODA = Official Development Aid

¹⁴ Global Fund for Social Protection.

council also supports the proposal for the organisation of a 'World Tax Summit' on the fringe of the FFD conference in Addis Ababa.

- [7] LDCs are largely excluded from current discussions on the design and implementation of the regulatory reform of international financial institutions. The council calls on Belgium to support proposals for the redistribution of weight to the advantage of LDCs.
- [8] Given the debt problems that put a heavy financial burden on the public finances of many LDCs, the council calls upon Belgium to support the establishment of an international debt regulation mechanism within the United Nations. This mechanism must be independent of the creditors in its analysis and decision-making, and must apply to bilateral, multilateral and private debts. It must be open to all states at risk of 'debt distress' and hold both debtors and creditors to account for irresponsible behaviour. The council also calls on Belgium to work on further multilateral and bilateral debt relief specifically aimed at LDCs, as agreed by the UN's General Meeting in Resolution 68/224¹⁵.
- [9] Belgium must continue to emphasise the importance of gender equality for sustainable development, and support that political commitment with adequate financing for gender equality, both in focused interventions and by mainstreaming into all SDGs, projects and programmes.

2.3. Human rights and civil society development

- [10] The council calls upon Belgium to continue to strive in an EU context for a strong human rights component and a policy focused on peace within the SDGs¹⁶.
- [11] Areas for special attention in a policy to develop civil society include:
 - The need for greater participation by the poorest people and women, with a focus on marginalised groups, both in developing the SDGs and in their monitoring and implementation, in particular when setting up national development and (Belgian) development cooperation programmes.
 - It is crucial to choose to empower people in poverty, via support for local initiatives and education.
 - Special attention is needed to eliminate all forms of discrimination in the implementation of the
 - Access to fair judicial proceedings with public bodies must be guaranteed for all.
 - There is need for strict accountability when monitoring the SDGs. This will require appropriate mechanisms that give citizens the opportunity to turn to their government in the event of the defective implementation of the SDGs.
 - Ongoing support is necessary for civil society, the player best placed to demand the implementation of human rights by a government. It is important to involve civil society fully in the development of cooperation programmes.

2.4. Human and social development

[12] The council calls on Belgium to work actively to defend the interests of social protection in all countries, not least the LDCs. The idea of 'leaving no one behind' is crucial here. The principle of

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¹⁵ Resolution 68/224

¹⁶This includes the content of the proposed SDG 16. This was a sensitive topic during the preparatory discussions. "Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels"

social protection is mentioned in several of the proposed SDGs¹⁷. The concept of the 'social protection floor'¹⁸ must be the guiding principle¹⁹. In our country authorities and civil society alike have extensive expertise in matters of social protection. This expertise should be put to work more effectively in international cooperation.

- [13] The 'decent work agenda' should be given a central role in the further economic development of the LDCs. An important aspect of this agenda consists of regarding employees in the informal economy as economic players and strengthening them in their contribution to the development of the local economy. Against this background, Belgium should lend its support to a formalisation process in which workers access the rights and obligations of the formal economy, not least through proper remuneration. Effective tax systems, expanded social protection, and supportive services such as child care, education, vocational training and lifelong learning are important aspects of this ²⁰.
- [14] The council calls upon Belgium to give its support to knowledge transfer (both north-south and south-south) so as to strengthen the capacity of both government bodies (at the institutional level) and civil society organisations. The council advocates the full involvement of our own Belgian specialist social protection institutions and organisations in development cooperation policy. It is important that this technical expertise in social protection and structural social dialogue be made available to authorities and social players in the South.

2.5. Environment, climate and natural resources

- [15] The council is convinced that concern for the environmental, climate and natural resources must play a crucial role in policy with regard to the LDCs in the implementation of the SDGs. LDCs despite bearing the least responsibility for it are disproportionately affected by the adverse consequences of climate change, because of their geographical location, poverty levels, limited institutional capacity and greater dependency on climate-sensitive sectors such as agriculture. The explicit choice of sustainable development offers many opportunities through a greater focus on welfare, the right to food, the right to land and natural resources, equality and a healthy environment than the traditional focus on merely economic growth. Universal access to sustainable sources of energy, for example, is essential to the achievement of many development targets. The council calls for the environment to receive special attention as a horizontal theme within all programmes and projects in LDCs and for the necessary resources to be made available, particularly the international climate finance that must be new and additional to ODA. The new strategy paper on the environment issued by the Belgian development cooperation organisation must play a central role. This also implies that Belgium should throw its weight behind policy coherence, not least by accepting more ambitious climate targets on its own territory.
- [16] Many LDCs possess considerable quantities of raw materials. The sound, transparent and sustainable management of these resources offers the opportunity to finance a significant proportion of development in those countries through the tax receipts from resource extraction. In recent years very many countries especially those that are party to the EITI²¹ have seen some noticeable improvements in the transparency of tax receipts from extractive activities. However, the very difficult progress made in other areas of transparency and regarding the management of natural resources generally from sustainable forest management to socially and environmentally

¹⁷Inter alia in the proposed SDGs 1, 5, 10: (1) "Goal 1. End poverty in all its forms everywhere", (5) "Goal 5. Achieve gender equality and empower all women and girls", (10) "Goal 10. Reduce inequality within and among countries". ¹⁸ Social protection floor.

¹⁹See also the proposed SDG 1.3: "1.3 implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable".

²⁰ Guidance for this transitional process is set out in the ILO's <u>standard-setting item on this subject</u>.

²¹ <u>EITI</u> = Extractive Industries Transparency Initiative

responsible mining – demonstrates that greater efforts are necessary in order to make a real difference on the ground. Belgium should play a leading role internationally in strengthening the transparency of the management of and trade in natural resources, aiming in particular to strengthen the right to food, land and natural resources.

- [17] The council calls upon Belgium to comply fully with its obligations for international climate finance and refers in this respect to the recommendations in an earlier opinion on climate and development cooperation²². Belgium may support no investments that lead to more greenhouse gas emissions, the use of fossil fuels or the unsustainable use of raw materials.
- [18] The council asks that the existing financial obligations and goals for providing resources for biodiversity be achieved. New and additional public resources are necessary for the maintenance and restoration of biodiversity.

2.6. Humanitarian aid and resilience

- [19] Risks are rising throughout the world, and a larger number of mainly impoverished people are exposed to them. These risks include natural disasters, fluctuating food prices and long-term conflicts. The LDCs are disproportionately affected. In order to be able to implement the SDGs in the LDCs, development cooperation policy must give a more prominent place to development of resilience in the least developed countries. Inequality must also be targeted, as the poorer people are the more vulnerable they are to natural disasters. Development cooperation must make efforts to encourage national governments in their approach to inequality and vulnerability, not least through progressive tax systems, social protection and giving a voice to the poorest citizens in the policy-making system.
- [20] The council calls upon Belgium to commit to an active policy for Disaster Risk Reduction, particularly in the LDCs and fragile states, based on the recently approved Sendai Framework for Disaster Risk Reduction.
- [21] It is important to take a multi-dimensional approach to the term 'fragile states'. The recent OECD report²³ provides guidance, and some further observations could also be made. For example, well-developed social protection is an important condition for achieving more resilience.
- [22] Belgium must strengthen the link between its development cooperation and humanitarian aid. Shared analysis of the risks and strategies to prevent them or reduce their impact calls for a coherent approach. Building on local capacity is a central aspect of this. The institutional barriers between development cooperation and humanitarian aid must also be tackled to promote a more joined-up approach.

2.7. Digital agenda

[23] The development of new digital technologies has resulted in a large increase in the volume and types of data. This offers huge opportunities for the development of better policy for sustainable development and the greater involvement of citizens and civil society. However, there are large and growing inequalities between countries in their ability to make use of these new developments. LDCs often have a limited capacity to invest in innovation of this kind. In implementing the SDGs the availability of data is very important to monitoring and accountability, and therefore also for

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²² Opinion2013a13

²³ OECD, <u>States of Fragility 2015</u>. <u>Meeting Post-2015 Ambitions</u>.

- participation. The council refers to the recommendations in the Independent Expert Advisory Group's report²⁴ on the 'Data Revolution' commissioned by the Secretary-General of the UN.
- [24] The council calls upon the Belgian Government to develop special initiatives for the LDCs in this field²⁵.
- [25] Areas of special attention identified by the council include:
 - Investments in the development of indicators measuring progress 'beyond GDP' and which take account of other dimensions, such as welfare and healthy ecosystems²⁶.
 - The development of environmental and biodiversity indicators should be integrated into national strategies.

2.8. Achieving universality

- [26] Universality is an essential element in the new SDG framework. The SDGs will apply to all countries, not just to the LDCs. Universality means that every country must make its contribution on the basis of its capacities and responsibilities (in accordance with the principle of CBDR²⁷). The LDCs deserve recognition here for their particular vulnerability. If the LDCs are to implement the SDGs, changes will also be necessary in the richer countries and international bodies. This could include giving thought to codes of conduct for multinational enterprises, framework agreements between trade unions and multinational enterprises, firm social clauses in trade and investment policy, more trade and economic regulation to avoid over-consumption, and international financial, trade and climate agreements to benefit the LDCs more generally²⁸.
- [27] A model deserving attention here is 'triangular cooperation', involving collaboration between a country from the LDC group, a middle-income state and a rich country. These forms of cooperation can be useful, not least in finding an answer to the growing problem of the working poor in many countries.

²⁴ See the site of the <u>Data Revolution Group</u>.

²⁵See the OWG proposal: "17.18 By 2020, enhance capacity-building support to developing countries, including for least developed countries and small island developing States, to increase significantly the availability of high-quality, timely and reliable data disaggregated by income, gender, age, race, ethnicity, migratory status, disability, geographic location and other characteristics relevant in national contexts".

²⁶See also the OWG proposal: "17.19 By 2030, build on existing initiatives to develop measurements of progress on sustainable development that complement gross domestic product, and support statistical capacity-building in developing countries."

²⁷ CBDR =Common But Differentiated Responsibilities

²⁸ See also the <u>UNCTAD Least Developed Countries Report 2014</u>.

Appendix 1 Voting members of the general meeting who took part in the vote on this opinion

• The chair and two vice-chairs:

Magda Aelvoet Mathias Bienstman Mathieu Verjans

• Three of the three representatives of non-governmental organisations for environmental protection:

Marie Cors Sabien Leemans Sara Van Dyck

• Three of the three representatives of non-governmental organisations for development cooperation:

Rudy De Meyer Nicolas Van Nuffel Brigitte Gloire

One of the six representatives of employers' organisations:

Vanessa Biebel

• Four of the six representatives of workers' organisations:

Bert De Wel Nilüfer Polat Philippe Cornélis Sébastien Storme

• One of the two representatives of youth organisations:

Bart Devos

Total: 15 of the 24 voting members

Appendix 2

Meetings for the preparation of this opinion

Preparatory work group meetings took place on 30 April and 11 May 2015.

Appendix 3

Participants in the preparation of this Opinion

Chair

Dries LESAGE (UGent)

Voting members of the FRDO/CFDD and their representatives

Antoinette BROUYAUX (Associations 21)

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- Brigitte GLOIRE (Oxfam Solidarité)
- Renaat HANSSENS (ACV-CSC)
- Simon HEMPTINNE (Conseil de la Jeunesse)
- Maresa LE ROUX (ACLVB-CGSLB)
- Maggi POPPE (Nederlandstalige Vrouwenraad)
- Véronique RIGOT (CNCD Opération 11.11.11)
- Bart TIERENS (11.11.11)
- Benjamin VAN CUTSEM (CNCD Opération 11.11.11)

Scientific advisors and invited experts

• Mark VAN DE VREKEN (office of Minister De Croo)

Apologies

- Marlies CASIER (Sensoa)
- Sabien LEEMANS (WWF)

FRDO-CFDD administrative office

- Marc DEPOORTERE
- Jan MERTENS