Chapter 1

Overview: Development co-operation for 2030 – Renewing and reforming to deliver on leaving no one behind

by
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This overview responds to the question: what does the pledge to “leave no one behind” mean in practice? It discusses how inclusive, equitable and sustainable development should be the primary objective of policies, investments and partnerships to achieve the 2030 Agenda for Sustainable Development and the Sustainable Development Goals (SDGs). Pathways to lift at least 730 million people out of extreme poverty and up to 2.3 billion people out of fragility between now and 2030 need smarter, context-specific development strategies. This in turn demands innovative partnerships with agents of change, more disaggregated data to identify the poorest, most marginalised and vulnerable people and understanding the intersecting drivers of disadvantage and exclusion. The chapter defines how leave no one behind can be achieved and discusses the readiness of development co-operation to play its unique role. It calls for renewing and reforming development co-operation in three ways: (i) a new narrative spelling out the benefits of leaving no one behind for everyone; (ii) deliberately mainstreaming inclusive, equitable and sustainable development through portfolios; and (iii) a smarter use of official development assistance as an integral part of broader efforts to increase the volume of financing to achieve the SDGs for all.
In 2015, UN member states endorsed the 2030 Agenda for Sustainable Development – a transformative global agenda that integrates the economic, social and environmental pillars of development within 17 intricately interdependent Sustainable Development Goals (SDGs). Central to the 2030 Agenda is a pledge that is as clear and unequivocal as it is unprecedented: to meet the Goals for all, leaving no one behind, and endeavouring to reach the furthest behind first.

What does this pledge mean in practice? Recognising that there is no single answer and a diversity of approaches, the Development Co-operation Report 2018 investigates this question through a range of perspectives and lessons from practice. It takes a fresh and critical look at the readiness and capacity of development co-operation and official development assistance (ODA) to support developing countries and communities to achieve the SDGs for all. The report calls for individual and collective action to renew and reform development co-operation systems – narratives, financing, management practices and incentives – to fulfil the pledge to leave no one behind and close first the gaps for those left furthest behind.

**Catching up to achieve the SDGs for all**

Leaving no one behind is an imperative of the global development agenda. Failure to achieve the SDGs for all puts social and political cohesion at risk globally and locally – and this risk is growing. Amidst unprecedented global development progress in access to basic needs, improved well-being and income, the decline in extreme poverty, which fell to below 10% of the global population in 2015, is stalling and stubbornly hard to shift with a much slower pace of poverty reduction in sub-Saharan Africa (UNDESA, 2018) (World Bank, 2018). The rate of improvement in human rights and inclusion is also declining. While the recent 2018 Social Progress Index found that overall the world is getting better, with 133 of the 146 countries in the sample seeing overall improvements in social progress, and the greatest gains being recorded in parts of Asia and sub-Saharan Africa, there has been a significant decline in human rights and inclusion around the world. On personal rights (including political rights and freedom of expression), 75 of the 146 ranked countries witnessed declines. On inclusiveness (including violence against minorities and acceptance of gays and lesbians), 56 of the 146 ranked countries witnessed declines (The Social Progress Imperative, 2018) (Chapter 6).

Rising income and wealth inequalities within and between countries, alongside more frequent climate-related shocks, are putting hard-won development gains under threat. More visible and urgent risks to development and the environment are pressuring governments, the international community and development partners to respond and adapt. They are facing a clear need to renew strategies and investments in eradicating poverty, curbing inequalities, and tackling the drivers of these threats to development, which have consequences globally (Box 1.1). Levels of extreme poverty and hunger are particularly evident, intense and are growing in conflict-affected and fragile contexts, notably in sub-Saharan Africa and South Asia as shown by Figure 1.1 and Figure 1.2 – current trends and scenarios suggest SDGs 1 and 2 on poverty and hunger are not likely to be met by 2030.
Box 1.1. **Being left behind: Some illustrative facts**

**Women and girls**
In some regions, 48% of girls are not in school (UN Women, 2018[6]). An extra year of secondary schooling for girls could increase their future wages by 10-20% (Chapter 3 and the “In My View” piece by Katja Iversen, President and Chief Executive Officer of Women Deliver).

Two hundred fourteen million women in developing countries have an unmet need for modern contraception. Unsafe abortion is still one of the leading causes of maternal death.

Every year, 12 million girls are married before age 18, leaving girls, especially from poor, rural and disadvantaged populations, behind (Case study on ending child marriage).1

**Persons with disabilities**
Of the 1 billion persons with disabilities worldwide, 800 million live in poverty (UN, 2015[7]) (World Bank, 2018[8]) (Chapter 3).

Women with disabilities are twice as likely to experience domestic violence and other forms of sexual and gender-based violence as those without disabilities (Ortoleva and Lewis, 2012[9]).

**Indigenous peoples**
While they make up 5% of the world’s population, indigenous peoples account for 15% of the world’s poor (Case study on due diligence for the inclusion of indigenous people).2

**Climate change**
Climate shocks result in higher relative losses for poorer populations, who are less equipped to recover from extreme incidents (Chapter 3).

Forecasts of climate change-induced migration vary from 25 million to 1 billion environmental migrants by 2050, with 200 million being the most widely cited estimate (IMO, 2018[10]).

Small island developing states make up two-thirds of the countries with the highest relative annual losses due to climate-related disasters (OECD, 2016[11]) (Chapter 10, “In My View Piece” by the Right Honourable Keith C. Mitchell, Prime Minister of Grenada).

Six of the ten countries experiencing the most deaths in disasters between 1996 and 2015 are fragile – Afghanistan, Haiti, Honduras, Myanmar, Pakistan and Somalia (UNISDR and CRED, 2016[12]) (Chapter 3).

**Energy**
Around 1 billion people live without access to electricity, and close to 2.7 billion live without access to clean and healthy cooking facilities (Case study on India’s pathway to universal electrification).3

**Inequality and poverty**
Ten per cent of the global population – 736 million people – were still living in extreme poverty in 2015. Forecasts for 2030 suggest that rates will not fall below 3% even in high growth scenarios (World Bank, 2018[2]).

The poorest 50% of the world’s people are estimated to receive less than 9% of global income, while the richest 1% receive more than 20% (World Inequality Lab, 2018[13]).

Sixty-seven per cent of the value being created under global value chains accrues to lead firms from OECD countries, while 25% goes to firms from emerging countries and 8% to firms from low-income countries, where most workers live (Banga, 2013[14]).

According to the Gini Index, countries considered extremely fragile, among them Central African Republic and Haiti are also among the countries with the most unequal income distributions (Chapter 3).
Figure 1.1. In 2030 rates of extreme poverty will be highest in sub-Saharan Africa and in fragile contexts

Number of people projected to be living in extreme poverty through to 2030

Note: Extreme poverty is defined by the international poverty line of USD 1.90 per day (2011, PPP-adjusted). These projections are based on a business-as-usual scenario of recent socio-economic trends and medium future population scenarios. Chart produced in collaboration with Our World in Data. Dynamic charts available at: https://ourworldindata.org/grapher/extreme-poverty-country-2030.


In this context of rising inequality between and within countries, public support is growing to make economies and societies more inclusive, equitable and people-centred. Pursuing inclusive social, economic and environmental policies can make a real difference towards more equitable and sustainable development. For instance, in her “In My View” piece in Chapter 2 Gabriela Ramos, OECD Chief of Staff and Sherpa to the G20, illustrates the growing policy relevance of making economic systems that have wrought environmental destruction, the costs of which fall mainly on the poor and vulnerable, more inclusive. Inclusive growth, Ramos writes, can:

“reinvigorate people’s trust and build a new policy era that puts the well-being of people and the planet at its heart. It will take countries to both pursue inclusive growth policies domestically but also to co-operate internationally to ensure no one is left behind.”
Figure 1.2. The share of undernourished people is growing in sub-Saharan Africa, fragile contexts and low-income countries

Estimated share of the population who are undernourished (have an energy intake below minimum requirements)

Note: Estimated prevalence and total number of undernourished individuals as reported by the UN Food and Agriculture Organization (FAO). Data are based on its latest statistics on FAOstats (http://www.fao.org/faostat/en/#data/FS). These data extend from the year 2000 through to 2016 at national levels, and 2017 estimates by region and at the global level. Chart produced in collaboration with Our World in Data. Dynamic charts available at: https://ourworldindata.org/grapher/share-undernourished-2000-2017.


How to leave no one behind

Paragraph 4 of the 2030 Agenda makes it clear that leaving no one behind is central to achieving the Agenda and the SDGs. It states, “As we embark on this great collective journey, we pledge that no one will be left behind. Recognizing that the dignity of the human person is fundamental, we wish to see the goals and targets met for all nations and peoples and for all segments of society. And we will endeavour to reach the furthest behind first” (UN, 2015[15]).

In essence, this is a call for ensuring equity in all policies, strategies and investments to achieve the SDGs. In its goals and targets, the 2030 Agenda speaks of opportunities, universal access, and respect for the rights of all individuals and groups. It challenges the global development narrative of economic growth and its core assumption that the benefits of growth trickle down – a narrative that the DAC Guidelines on Poverty Reduction and Pro-poor Growth challenged over a decade ago (OECD, 2001[16]) (OECD, 2007[17]) (Chapters 2 and 3).

The pledge to leave no one behind entails a substantive shift in the narrative on sustainable development in all countries – to consider and include the people who are not benefiting from progress for often-intersecting political, social, economic, environmental, cultural and structural reasons. At the same time, the 2030 Agenda also recognises that pathways out of extreme poverty and fragility up to 2030 and beyond will be dramatically different from those between 2000 and 2015, the era of the Millennium Development Goals (MDGs) (Chapters 2 and 3). SDG 10, on reducing inequalities within and
among countries, encapsulates this shifting narrative by committing to reduce all forms of inequality, whether between individuals or households (vertical inequalities) or between groups with common characteristics (horizontal inequalities).

The pledge builds on an important lesson from the MDG era: the 2030 Agenda will fail if the SDGs are not achieved for the world’s poorest, most vulnerable and marginalised people. Ulla Tørnæs, Denmark’s Minister for Development Cooperation, stresses this point in her “In My View” piece in Chapter 3. She reminds us:

"Leaving no one behind will not be easy. Those furthest behind are the hardest to lift. It will require collective efforts, from policy makers, civil society, humanitarian actors, development agencies, private sector partners and the donor community […] ready to work and collaborate across the humanitarian-development-peace nexus."

Table 1.1 presents the underlying principles and strategies which have emerged consistently throughout the chapters in this report. They trace the vital connections between policies, strategies, financing and programming and how applying them can increase the potential of polices and investments in leaving no one behind.

**Who is most at risk? Leave no country and no person behind**

The focus on leaving no country behind puts specific emphasis on countries “most in need”, as referred to by the Development Assistance Committee (DAC)\(^5\); or severely off-track countries and fragile contexts (Chapter 3) (OECD, 2018\(^18\)). The countries referred to in these “categories” overlap and include least developed countries, small island developing states and many middle-income countries (Chapter 10). Countries most in need are typically those with the highest rates of extreme poverty, weak governance and institutions, current or recent conflicts, and multiple forms of fragility.

The priority for governments and international partners in these contexts should be to end absolute poverty in all its forms and ensure that the gaps are closed for those who have been left behind in relative or absolute terms. The root causes need to be tackled through long-term investments and partnerships with agents of change, notably civil society organisations (CSOs). CSOs advocate for groups that are not otherwise seen or heard and help bring the voices of people on the frontlines of poverty, inequality and vulnerability to national and international policy processes (Chapter 6).\(^6\)

As Stuart explains in Chapter 2, “while being left behind is typically associated with marginalisation, this is far from being a marginal issue: in several sub-Saharan African countries, the majority of people live in extreme poverty.” These countries are also left behind in terms of access to development finance (Chapter 10 and Figure 10.2). Recent OECD research on blended finance mirrors this finding: 77% of private finance mobilised by interventions of official development finance went to middle-income countries, with a small share going to low-income countries and extremely fragile contexts (OECD, 2018\(^19\)).

Achieving developmental successes in the severely off-track countries identified by Gertz and Kharas will not be easy (Chapter 3). Indeed, even where individual projects are successful, the broader challenge of spurring transformative change in these countries is daunting, and will play out over decades, not years. In particular, interventions to help build state capacity – arguably the most important ingredient for long-term development success – require extensive experimentation, adaptation and iteration (Andrews, Pritchett and Woolcock, 2017\(^20\)).

The idea of leaving no person behind operates below the national level, looking at individuals and excluded and vulnerable groups. This places specific emphasis, in line with SDG 10 on empowering and promoting the social, economic and political inclusion of all – irrespective of age, sex, disability, race,
ethnicity, origin, religion or economic or other status (UN, 2015[15]). Groups definable in these terms have been left behind or are at risk of being left behind, due to the effects of discrimination, geography, governance, socio-economic status, shocks and fragility (Box 1.1 and Chapter 3) (UNDP, 2018[21]). This perspective of group-based or horizontal inequality also brings with it a focus on intersectionality, whereby people face double, triple or more disadvantages and discriminations based on their status (Chapters 2, 3 and 11).

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<th>Table 1.1. <strong>Answering the pledge: Principles and strategies</strong></th>
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<td><strong>Underlying principles</strong> for meeting the commitment to leave no one behind include:</td>
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<td><strong>EQUITY</strong></td>
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<td><strong>Strategies</strong> for implementing leave no one behind through international, regional, national and sub-national policies and investments include:</td>
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<td><strong>BEING EVIDENCE-BASED</strong></td>
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<td><strong>MAXIMISING MACRO-MICRO INTERLINKAGES</strong></td>
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The 2030 Agenda is an integrated roadmap (Chapter 4). To achieve it, efforts to leave no one behind and reach the people and groups who are furthest behind should be mainstreamed and integrated in all policies, strategies and programmes. Progress on any goal or for any vulnerable group depends on a combination of economic, social and environmental policies.
Mainstreaming – even if it takes more effort and time than targeted action – is indispensable to build countries’ capacities to provide long-term and sustainable results by removing barriers to inclusion and universal access, with better prospects of reaching and benefiting everyone (Nordic Consulting Group, 2012[22]). Policies that improve social mobility and integrate people in more dynamic parts of the economy may have a greater impact than targeted support measures (Klasen and Fleurbaey, 2018[23]) (Chapter 9) (Case studies by Sweden, Switzerland and the United Kingdom).7 Targeted initiatives can, nevertheless, be instrumental in shifting specific issues by giving quick, visible results and empowering specific rights-holders. However, the focus of these initiatives tends to be narrower, making it difficult to address the intersecting causes of being left behind which can undermine sustainability (Chapter 9).

No one left behind by 2030: Putting it into practice

Fulfilling the pledge to leave no one behind will be a complex challenge for all stakeholders who have signed up to it, including governments, the international community, civil society and business. In the words of the UN Committee for Development Policy, “a generalised shift towards development that leaves no one behind requires transformation of deeply rooted systems – economic and political systems, governance structures and business models – that are often based on unequal distributions of wealth and of decision-making power” (UNCDP, 2018[25]) (Chapters 3 and 6).

Delivering on the commitment to leave no one behind is, essentially, about transforming policies and approaches, so that they assess how those left behind (or at risk) can be reached, monitor progress for these people and enable equality of opportunities (Klasen and Fleurbaey, 2018[23]). However, governments cannot ensure that everyone is included in progress if they do not know they exist in the first place. Disaggregated data, when available, can allow for more effective anti-poverty and inclusion policies, yet billions of people are still uncounted: for example, the poorest 20% of the global population account for 55% of unregistered births (Chapter 5).

In her “In My View” piece in Chapter 3, Winnie Byanyima, Executive Director of Oxfam International, states:

“Governments have considerable policy space to reduce inequality […] and aid, used strategically, can help to build a more human economy. It can help end poverty and fight inequality in poor countries. It has the potential to deliver transformative finance from rich to poor nations, helping close the inequality gap between and within them. If aid needed a renewed calling, the crisis of economic inequality is it.”

The unique enabling role of development co-operation

Development co-operation has a crucial role to play in delivering the SDGs for all.8 Most DAC members embrace the pledge to leave no one behind and see it as an opportunity to refocus development co-operation where it has a comparative advantage (Chapter 9). Indeed, the specific added value, according to members, is in helping countries and societies to tackle the toughest development challenges in the toughest places, in line with the purpose of ODA as a public good that promotes economic development and welfare in developing countries and the overarching mandate of the DAC9 (OECD, 2017[26]). Development co-operation also plays a critical role in supporting developing countries in transitioning to low emission, climate-resilient development pathways, and promoting gender equality and women’s economic empowerment (Chapter 3).

Effective development co-operation goes beyond the activities that are measured as bilateral and multilateral ODA to include ensuring other non-ODA policies are coherent with the global agenda for
sustainable development, investing in global public goods, increasing impact through innovation and private sector engagement for development results (Chapters 7 and 10).

Still, ODA remains a vital source of financing, in particular in the least developed countries, where it accounts for over two-thirds of external finance, and in fragile and conflict-affected contexts, where it is often the only recourse for the provision of basic services (OECD, 2018).

With this knowledge, the DAC has committed to scaling up its efforts for countries most in need, including the least developed countries, low-income countries, small island developing states, landlocked developing countries, and fragile and conflict-affected contexts (OECD, 2017). It is worth noting that these country groupings include around 70 middle-income countries, which are home to a large share of the world’s poor and high levels of inequalities (World Bank Group, 2016).

At the same time, while ODA is just one relatively small source of finance for sustainable development in developing countries amongst a variety of public and private sources, the capacity of countries to raise domestic resources and attract external flows varies significantly between income categories (Chapter 10). Indeed, external concessional finance such as ODA plays a critical financing role in low-income countries. Figure 1.3 illustrates flows from DAC members, multilateral organisations and other countries such as Brazil, the People’s Republic of China, India, the Russian Federation and South Africa to countries as GDP per capita grows. The trend lines for private flows and official flows are clearly different: as GDP per capita rises, private flows increase while ODA and other official flows (OOF) decline in share – although they continue to play a unique role in financing certain underinvested sectors (see Chapter 10).

Figure 1.3. **As a country’s GDP per capita rises, incoming financial flows shift from official to private sources**

![Graph showing shift in financial flows from ODA, OOF, and private sources as GDP per capita increases.](https://doi.org/10.1787/9789264307995-en)


To keep the collective promise, business as usual will not suffice

Fundamental shifts in the global development landscape have been disrupting development co-operation policies and business models for more than a decade (Rogerson and Kharas, 2017) (OECD, 2017), while the 2008-09 global financial crisis put lasting strain on aid budgets. At the
same time, the share of ODA in total global financial outflows to developing countries has declined, especially to middle-income countries (Chapters 10 and 13). In addition, technological changes, as described by Achim Steiner, UNDP Administrator, in his “In My View” piece, raise the stakes for action to leave no one behind (Chapter 12). Amid these shifts, providers of development co-operation who take seriously the collective commitment to the 2030 Agenda and achieving the SDGs for all need to ensure that they are fit for purpose – individually and collectively – as members of the DAC and the multilateral system.

Translating that commitment into action is a work in progress for DAC members, who grapple with a range of political and operational challenges (Chapters 9 and 12). These challenges range from:
- gaining and sustaining political support at home
- engaging in sensitive dialogue in partner countries to advocate for and include groups and people who are left behind
- clarifying how to implement the agenda in practical terms
- collecting, analysing and using disaggregated data on those left behind, a moving target that depends on specific contexts
- managing the risk of adding another layer of complexity to programming
- mobilising resources to identify and monitor the multidimensional determinants of social, economic and political exclusion, to
- adopting adaptive, flexible and context-specific programming approaches.

Moreover, current trends in DAC member ODA allocations and programming suggest they have some way to go to be fit for purpose (Chapters 3, 9, 10 and 13). Overall ODA allocations do not yet match the needs of the furthest behind. While bilateral aid to the least developed countries increased by 4% in 2017 in real terms, this uptick followed several years of decline. In fact, bilateral ODA to many of the countries most in need dropped considerably from 2011 to 2016 (Chapter 13). ODA to the least developed countries expressed as a percentage of provider countries’ gross national income still sits at only 0.09%, below the target of 0.15-0.20% (Chapter 13). Allocations to fragile and severely off-track countries are particularly volatile from one year to the next, making long-term development strategies difficult to implement and undermining effectiveness (Chapter 3).

In general, per capita country programmable aid does not correlate with poverty or income levels, as demonstrated in Figure 1.4 which is an update of earlier analysis by the OECD on aid fragmentation and aid orphans (dynamic visualisations of these data can be viewed on the website at: https://ourworldindata.org/grapher/aid-vs-gdp-per-capita). The bulk of developing countries receiving such aid are hovering between USD 10 and USD 100 per capita, irrespective of income category or rates of extreme poverty. Moreover, in 2016 five developing countries – Democratic Republic of Congo, Gambia, Guinea-Bissau, Madagascar and Togo – emerge as the most under-aided countries by need relative to others. Analysis by Gertz and Kharas finds that while 66% of the global population living on less than USD 1.90 a day live in severely off-track countries, total ODA by DAC members in the form of per-capita country programmable aid averages at about 22% for bilateral aid for these countries (Chapter 3).

Finally, data on sectoral aid suggest that it does not reflect sector-specific needs (Chapter 10). For example, funds to primary education do not always reach those most in need. Twenty-three countries account for more than 80% of all primary school-age children out of school in developing countries, yet donors allocated just 26% of aid commitments in primary education to these countries. Just 4% of total bilateral aid is currently dedicated to gender equality and women’s empowerment. Gender-focused aid will need to scale-up significantly to reach the recommended target of at least 20% agreed in 2018, at the Gender Equality Council for Canada’s G7 Presidency (Chapter 3).
The pledge to leave no one behind has yet to be mainstreamed systematically into programming

Even when DAC members state that they are mainstreaming the pledge to leave no one behind, they rarely do so systematically to all aspects of programme management, and only a few are developing specific tools to enhance and track the impact of development co-operation programmes on those who are left behind. Most providers assess needs in-country, but these are not systematic. Only a few members such as Sweden and Switzerland have developed specific guidance to help their country offices conduct these diagnostics. Such guidance is critical when country offices’ analytical capacities are limited (ICAI, 2017) (Chapter 9).

Mainstreaming is challenging and resource intensive. It requires, for instance, an analysis of vulnerabilities, inequalities and discriminatory structures at the beginning of each planning phase. On the whole, therefore, DAC members prefer translating commitments to leaving no one behind into their programming by means of targeted actions and specific programmes. Members have yet to set up specific results systems that track progress and results for the furthest behind or for impact on poverty and vulnerability (Chapter 9). At present they tend to rely on existing indicators measuring progress against corporate objectives.
Breaking with the status quo: Updating development co-operation frameworks

Development co-operation is increasingly tackling common global challenges that affect all countries, thus creating a mutual benefit imperative and a justification for continued co-operation. Whilst development is the preserve and responsibility of individual countries, properly deployed development co-operation is a powerful engine for delivering the SDGs for all, levelling the playing field and delivering tangible benefits to those left behind.

The legitimacy of development co-operation, and of ODA as its internationally agreed measure, hinges on its capacity to be fit for 2030. Committing to leaving no one behind thus implies a departure from current approaches: providers need to make new, deliberate, systematic and co-ordinated efforts to adapt their narratives, set-up, management practices and incentives.

In her “In My View” piece in Chapter 8, Dr Maria Flachsbarth, Parliamentary State Secretary to the Federal Minister for Economic Cooperation and Development of Germany, is unequivocal about Germany’s commitment to a new and more inclusive development era:

“Leave no one behind is put into practice through policies to reduce poverty and inequality that specifically address the poor and vulnerable, systematically integrating human rights into development co-operation, and encouraging good governance such as inclusive decision-making processes and non-discriminatory legal reforms. Finding more effective ways to reach those who are furthest behind first is a challenge and policy responses need to be constantly fine-tuned to meet this objective.”

This report calls for changes in three areas of the lexicon and practice of development co-operation by providers, individually and collectively: narrative, delivery and financing. The overarching objective for renewing frameworks needs to be consistent with eradicating extreme multidimensional poverty and curbing income- and rights-based inequalities, as well as emerging threats to progress such as climate change, right from their root causes and drivers. The theory of change is that key principles of inclusion, equity and sustainability will be taken on board systematically and transparently – complete with a robust evidence base for decision making that tests assumptions about pathways to leaving no one behind.

1. Updating narratives for development co-operation to leave no one behind

The starting point for renewing the framework is a sound narrative that demonstrates mutual benefits: how focusing on those left behind benefits both people and countries that are left behind and the populations in countries that provide development co-operation, while supporting other strategic goals such as shared prosperity, peace and security. This narrative should make clear that the 2030 Agenda will not be achieved if the gaps on all SDGs are not closed for the furthest behind.

An updated narrative is an opportunity to:

- Re-build public awareness and support for development co-operation in an interdependent world informed by the vision of leaving no one behind. Providers should re-engage with citizens and taxpayers at home on the vision, principles and impact of development co-operation in fighting poverty and inequality to improve well-being in developing countries and at home. It is on the basis of narratives like these that people support development co-operation and ODA.18

- Re-emphasise the need to invest in tackling the multidimensional root causes of poverty, inequalities and vulnerabilities and the progressive realisation of rights, in all developing contexts and especially in the countries most in need. Re-make the case politically for the comparative advantage of development co-operation and development finance in supporting countries over the long term to close the gaps domestically and internationally and make progress for all on the toughest development challenges.
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- Make stronger and clearer connections between the narrative and the palette of DAC member policies that have potential positive or negative effects on developing countries and global public goods. This calls for reinvigorating policy coherence for sustainable development and investing in more integrated programmes that strengthen the links between global, national, and subnational policies and programmes.

2. **A deliberate and systematic portfolio-wide approach to development co-operation to leave no one behind**

   To achieve the SDGs for all, the principles and objectives of inclusiveness, universal access and equality of opportunities should be mainstreamed across the whole portfolio of development co-operation policies, programmes and activities. The people who are furthest behind should be identified systematically and progress for the furthest behind tracked. Implementing those principles will require providers to be better co-ordinated, more integrated and coherent than they are today.

   **Mainstreaming leave no one behind across the portfolio is an opportunity to:**

   - **Accept complexity, including in power and politics,** and respond to it through multidimensional and transparent approaches to policy and programming that incorporate strategies for tackling even the most difficult and sensitive bottlenecks and managing trade-offs for the poorest and most vulnerable people. Many studies argue that governments find it difficult to engage in policy reforms that could tackle asset inequality (e.g. land reforms, education and health reforms), improve returns to the poor (e.g. wage policies) or increase the redistributive role of the state (e.g. fiscal and social protection policies) because such reforms would reduce the net gains accruing to a small interest group (Khemani, 2017[33]) (World Bank, 2017[34]).

   - **Invest in quality data systems and standards to produce and use the right data** on people and places to understand needs, gaps and progress in closing the gaps. Commitment to mainstreaming leave no one behind should translate into building national capabilities for data disaggregation and re-thinking the skills and capacities that statistical systems need to harness the benefits of quantitative and qualitative data; engage with diverse partners; manage trade-offs in cost, coverage and data privacy; and meet quality standards.

   - **Update partnership strategies** to create enabling environments and participatory approaches for agents of change, including civil society, women’s organisations and local businesses, who give voice to and empower excluded and vulnerable people. The principles that underpin leave no one behind should be integrated across all policies affecting developing countries and bilateral partnerships with these countries. This new approach to partnering should extend to whole of government co-operation, including technical assistance, development-oriented trade, investment, tax and migration policies; and support international processes that minimise the costs and maximise the benefits of the multilateral system.

   - **Align management systems, processes and requirements to be fit for purpose now and in the future.** Portfolio-wide approaches can enable foreign affairs and development ministries and agencies to re-calibrate risks, results, innovation and evaluation to focus on leaving no one behind. Risk assessment and management strategies that are concerned with reputational and fiduciary risks rather than long-term development results are in need of such alignment. So, too, are requirements that pressure programmes to disburse funds and seek value for money, which can skew investment towards easier wins and faster results – and away from the harshest contexts and toughest development challenges. Equally, the potential of innovation to bridge divides in opportunity and access needs to be much better integrated into development co-operation thinking.
3. Smarter and increased ODA to achieve the SDGs for all

The global community must simultaneously scale-up financing to achieve the SDGs and improve allocations in order to reach the countries, sectors and people with the greatest needs. Each type of development financier can make improvements to its way of working to accelerate progress towards leaving no one behind (Chapter 10).

More and smarter development finance should focus on:

- **Supporting countries’ capacities to raise domestic resources for sustainable development**, including through technical assistance in line with the Addis Ababa Action Agenda on Financing for Development (UN, 2015[7]) and the Addis Tax Initiative to reach the committed financing target of USD 447 million in the next four years on financing for sustainable development (Addis Tax Initiative, 2015[35]) (OECD, 2018[29]).

- **Delivering on international commitments to ODA**, collectively and individually, including to the least developed countries and other countries most in need, which will bolster the credibility of ODA as a key instrument to fight poverty and reduce inequalities and vulnerabilities.

- **Sharpening the focus of ODA** as a dedicated resource for investing in inclusive, equitable and sustainable development and growth. This purpose of ODA should be safeguarded through resource allocation models and decision making that integrate the commitment to leave no one behind, track expenditure according to priorities and needs, and increase accountability for the distributional allocation of ODA to tackle poverty and inequalities.

- **Increasing effectiveness** through multi-annual, long-term predictable flows of ODA to development programmes owned by developing countries and regions where needs and risks are greatest, and by renewing commitments and approaches to be fit to deliver the principles of effective development co-operation (GPEDC, 2011[36]).

- **Encouraging more private investment in inclusive, equitable and sustainable development in developing countries**, for example by supporting the implementation of the OECD DAC Blended Finance Principles and the evaluation of their use (OECD, 2018[29]); (Chapter 7).

**Notes**

1. Christelle Comair provided research assistance.
2. See (Pinker, 2018[47]) for a historical overview of progress worldwide.
3. The World Bank’s report Poverty and Shared Prosperity 2018: Piecing Together the Poverty Puzzle states that the fight against extreme poverty is far from over—and in some ways is getting harder. Even as much of the world leaves extreme poverty behind, poverty is becoming more entrenched and harder to root out in certain areas, particularly in countries burdened by violent conflict and weak institutions. Poor households are overwhelmingly located in rural areas, have a large number of children and suffer from a lack of education (World Bank, 2018[2]).
4. See Chapter 3 for a comprehensive analysis of the drivers and risks of rising inequality, an indisputable threat to sustainable development that is affecting countries at different speeds and levels. See also (Milanovic, 2012[38]) (Bourguignon, 2015[39]) (Klasen and et al., 2016[40]).
5. See DAC High Level Communiqué of October 2017: “We welcome the ongoing effort by the membership to develop and implement policy actions on reversing the declining trend of ODA to countries most in need, such as least developed countries, low-income countries, small island developing states, land-locked developing countries, and fragile and conflict-affected contexts.”
6. For evidence of how grassroots organisations and individuals can unlock change, see (Robinson, 2018[42]).
7. See case studies from Switzerland on leaving no one behind for Swiss Development Co-operation; from Sweden on the SIDA’s framework for multidimensional poverty analysis; and from the United Kingdom, on meeting the needs of women and girls in the Rohingya crisis. The publication (OECD, 2018) “Case Studies on Leaving No One Behind: A companion volume to the Development Co-operation Report 2018” is available at: https://doi.org/10.1787/9789264309333-en.
8. The SDGs specifically single out international co-operation and ODA (although often referred to simply as “aid”) to feed into a very broad cross-section of the framework’s goals, targets and indicators. See a sample of aid’s responsibilities in Chapter 10.
9. See DAC revised mandate in the DAC High Level Communiqué of October 2017. “The overarching objective of the DAC is to promote development co-operation and other relevant policies so as to contribute to implementation of the 2030 Agenda for Sustainable Development, including sustained, inclusive and sustainable economic growth, poverty eradication, improvement of living standards in developing countries, and to a future in which no country will depend on aid.” (OECD, 2017[37]).

10. See (OECD, 2018[49]).

11. Ongoing analysis by the IMF of the need for additional spending to achieve selected SDGs – education, health, roads, electricity and water – in 49 low-income developing countries was about USD 520 billion in 2016 or about USD 300 billion net of increased tax revenues (Gaspar, 2018[44]).

12. Historically, major rethinks of ODA have coincided with conditions of falling budgets and a rapidly changing development context, often diluting what is fundamental to ODA: having “the economic development and welfare of developing countries” as its “main objective” and being concessional (Hynes and Scott, 2013[41]).


14. Under-aided countries are defined by the OECD on the basis of whether they are underfunded by need relative to others. This is assessed on the basis of multiple aid allocation models: the Egalitarian, Performance-based allocation (PBA), UNDP, and Collier-Dollar poverty allocation (CD) model. Countries defined as the top under-aided countries by the OECD are those which were identified as underfunded on the basis of three or more of the allocation models. Under-aided countries are assessed annually from 2006 to 2016. The data can be accessed and viewed in dynamic charts at: https://ourworldindata.org/grapher/top-underaided-countries, based on data provided by the OECD. Aid figures for 2000-16 are based on reported aid; 2017-19 figures are projections based on countries’ forward spending plans for CPA.

15. SDG indicator 4.1.1 is a Tier III indicator and has not yet been fully developed; therefore, the authors looked to UNESCO data on out-of-school children as an approximation of primary school needs, drawing on 2011–16 averages (UNESCO Institute for Statistics, 2016[46]). In descending order of magnitude, the countries are: Pakistan, India, Ethiopia, Sudan, United Republic of Tanzania, Indonesia, Niger, Kenya, South Sudan, Mali, Angola, South Africa, Burkina Faso, Côte d’Ivoire, Brazil, Uganda, the Syrian Arab Republic, Mozambique, Chad, Yemen, Senegal, Ghana and Thailand. It is interesting to note that these include some middle-income countries for which ODA might be quite small relative to the overall education budget. On the other hand, some of the countries for which data are not available (such as Nigeria and the Democratic Republic of Congo) might have relatively high populations of out-of-school children.

16. New Zealand is moving towards a twin-track approach, building a core of programming that specifically targets gender and human rights alongside a wider integration that moves towards an aspirational, capability- and incentives-driven approach (Chapter 9).

17. See the case study from Switzerland presenting its guidance note on leave no one behind for Swiss Development Co-operation. The publication (OECD, 2018) “Case Studies on Leaving No One Behind: A companion volume to the Development Co-operation Report 2018” is available at: https://doi.org/10.1787/9789264309333-en.

18. For example, the 2018 Special Eurobarometer 476 on EU citizens and development co-operation found that just over eight in ten respondents (81%) agree tackling poverty in developing countries is in the EU’s own interest, with 32% saying they totally agree, while 76% agree tackling poverty in developing countries is a moral obligation for the EU (European Commission, 2018[43]).

19. There are growing concerns that when trade and international investment negotiations are conducted between governments – with limited overall transparency and accountability, and limited insight from social partners and civil society organisations – the negotiation process risks being captured by powerful interest groups and leading to unequal outcomes (ILO, 2017[48]).

References


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1. OVERVIEW: DEVELOPMENT CO-OPERATION FOR 2030 – RENEWING AND REFORMING TO DELIVER ON LEAVING NO ONE BEHIND
