Business & the Sustainable Development Goals

GLOBAL VALUE Monitoring Report 2

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1. Updates on the formulation of Sustainable Development Goals

1.1. OWG 13, the final session of the UN General Assembly Open Working Group

The thirteenth and final session of the UN General Assembly Open Working Group (OWG) on Sustainable Development Goals (SDGs) took place between 14-19 July 2014, at the UN Headquarters in New York. As discussed in our baseline report, the OWG was mandated by the UN General Assembly (UNGA) to develop a proposal for a set of sustainable development goals to present to the UNGA, as called for by the UN Conference on Sustainable Development (Rio+20). Multiple readings of drafts of the proposed SDGs and associated targets took place during "informal-informal" consultations three days prior to OWG-13 and during informal sessions of OWG-13 over the course of the five-day meeting. On Saturday, 19 July 2014 the OWG completed its mandate and adopted the "Proposal of the Open Working Group for Sustainable Development Goals" the final set of their proposed SDGs.

In terms of the policy cycle and debates, the final list of goals came into sharper focus in the frame of the 11th, 12th and the 13th sessions of the OWG. Delegates faced several hurdles during these sessions, especially while trying to generate consensus on the most controversial issues including: climate change and the principle of Common but Differentiated Responsibilities (CBDR); sexual and reproductive health and rights; rule of law and peaceful societies; and Means of Implementation (MoI). On the issue of climate change, for example, many delegates expressed concern about the possibility that the suggested principle of common but differentiated responsibilities might negatively impact the post-2020 climate change framework, which is supposed to be designed for application to all parties. As opponents said, if the SDGs emphasize and pronounce issues of differentiation, this could prejudge the outcome of COP21 in December 2015[1].

In terms of sexual and reproductive health and rights many delegates threatened to reject the final text because target 5.6 calls for ensuring "universal access to sexual and reproductive health and reproductive rights," although qualified by "as agreed in accordance with the Programme of Action of the ICPD and the Beijing Platform for Action and the outcome documents of their review conferences." Yet proponents were still disappointed, noting this was a weak target, and opponents did not really want to accept the language at all. Issues on rule of law and governance posed another test to reach consensus. Transparent governance, a fair judiciary, land tenure, and the self-determination of peoples under foreign occupation were all listed as examples of precursors to sustainable development, but up to the final day, delegates disagreed on whether to expand the three dimensions of sustainable development to take on a fourth dimension that crosses the boundaries into sensitive political issues. In the end, delegates included language in both the chapeau and Goal 16 on peaceful societies.

Discussions on the means of implementation for the goals created tension between donor and recipient countries. Delegates agreed that means of implementation are crucial for the success of the goals, but disagreed on the balance of responsibility. Developed countries stressed the need to maintain principles of universality and balance across the three pillars of sustainable development while developing countries called for greater financial and technical assistance. Developing countries pushed for MOI targets throughout the goals (rather than only in Goal 17, which the developed countries preferred), citing the failure to sufficiently implement MDG 8 on the global partnership for development. In the end, MOI targets appeared in every goal, but they were more limited than what developing countries initially called for. (IISD, 2014a)

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1 The 21st session of the Conference of the Parties to the UNFCCC is expected to take place in December 2015, in Paris, France

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1.2. Sustainable Development Goals as proposed by UNGA OWG

The report adopted by the OWG contains 17 proposed SDGs and 169 targets. At its 68th session, the UN General Assembly (UNGA) has decided that the proposal of the Open Working Group (OWG) on Sustainable Development Goals (SDGs) "shall be the main basis for integrating sustainable development goals into the post-2015 development agenda." (UN, 2014a) The 17 proposed Sustainable Development Goals are as follows:

1. End poverty in all its forms everywhere
2. End hunger, achieve food security and improved nutrition, and promote sustainable agriculture
3. Ensure healthy lives and promote well-being for all at all ages
4. Ensure inclusive and equitable quality education and promote life-long learning opportunities for all
5. Achieve gender equality and empower all women and girls
6. Ensure availability and sustainable management of water and sanitation for all
7. Ensure access to affordable, reliable, sustainable, and modern energy for all
8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
10. Reduce inequality within and among countries
11. Make cities and human settlements inclusive, safe, resilient and sustainable
12. Ensure sustainable consumption and production patterns
13. Take urgent action to combat climate change and its impacts
14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development
15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
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
17. Strengthen the means of implementation and revitalize the global partnership for sustainable development

The final report of OWG to the UN General Assembly that includes the 17 goals and related 169 targets is available at: http://www.un.org/ga/search/view_doc.asp?symbol=A/68/970

1.3. Suggested indicators and monitoring framework for SDGs

1.3.1 Proposed SDG indicators by SDSN

On 5th July 2014 the Sustainable Development Solutions Network (SDSN) issued a revised working draft of an indicator framework for the Sustainable Development Goals (SDGs) that are based on the final set of SDGs as proposed by the OWG. The report proposes an indicator framework for discussion, outlines principles for SDG monitoring and identifies gaps that need to be filled by 2016 to implement the SDGs.

At the beginning of the report SDSN calls for an early start in the development of SDG related indicators. The report states that because governments will adopt the SDGs in September 2015 and the Millennium Development Goals (MDGs) will expire at the end of that year, the world must be ready to start implementing the SDGs on 1 January 2016. By then, indicators and accompanying metrics must be available, adequate monitoring protocols and data collection modalities agreed, and

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sufficient resources mobilized to implement the goals. For this a so called “data revolution” is necessary as called for by the High-Level Panel on the Post-2015 Development Agenda (UN, 2013). To make this happen, SDSN lists a few overarching points:

Need to limit indicators to no more than 100: According to SDSN, the OWG proposed 17 goals and 169 targets do not meet the Rio+20 requirement that the goals and targets be “concise, easy to communicate, [and] limited in number.” Over the coming months, governments will therefore need to refine and consolidate the goals and targets before they are adopted. In addition they also recommend that countries consider two sets of indicators. The first set consists of Core Indicators that would be applicable to every country and would track the most essential dimensions of the targets. The second set consists of ‘Tier 2’ indicators that would track issues that may be applicable to some countries only, such as indicators for neglected tropical diseases (NTDs), or that may give countries greater scope in applying complex concepts, such as inequality, to their specific needs. In terms of the numbers, based on their public consultations, SDSN suggests 100 Core Indicators as the upper limit of what the international system can report on under the SDGs.

Capacity building of statistics systems: International agencies rely in part on primary data produced by each country’s statistical system. According to the authors, involvement and cooperation between international agencies and national statistics organizations (NSOs) was largely missed by the MDG process and must be strengthened for the SDGs. Similarly, the capacities of NSOs were not strengthened adequately to ensure effective real-time monitoring of the MDGs. All of this will require:

Investing in NSOs, household surveys, remote sensing and Big Data;

Identifying areas where statistical standards are currently lacking and asking the statistical community to develop them in the future;

Identifying the measurement instruments that each country should have in place (e.g. vital statistics, censuses, surveys, national accounts, administrative records, Big Data); and

Specifying the quality requirements (e.g. frequency of data-collection, timeliness of releases, geographical detail, and a common set of variables available for cross-classification purposes).

Urgency to prepare an SDG monitoring framework: SDSN advices that the lead agencies should start preparing their information gathering systems as soon as possible, in anticipation of the goals and indicators that will be adopted in September 2015. They consider the 46th Session of the UN Statistical Commission starting in early 2015 an important forum for discussing draft SDG indicator frameworks, and the July 2015 Financing for Development Conference to mobilize the means. The first SDG review (and accompanying report) can thereby commence in the Economic and Social Council (ECOSOC) or other suitable fora in the summer of 2016. Following this timeline SDSN envisage that by 2018 at the latest the international system, and notably the UN organizations and partner institutions (including the OECD, World Bank, World Trade Organization and others), would have an accurate and meaningful annual reporting system in place.

According to the report the purpose of SDG indicators is twofold. First, an indicator should be a **management tool** to help countries develop implementation and monitoring strategies for achieving the SDGs and to monitor progress. Second, an indicator also serves as a **report card** to measure progress towards achieving a target and ensure the accountability of governments and other stakeholders for achieving the SDGs. To achieve these purposes SDSN propose that robust SDG indicators should be, to the greatest extent possible:

Clear and straightforward: Indicators need to be simple to compile and interpret.

Consensus based, in line with international standards.

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Broadly consistent with systems-based information: To ensure coherence indicators should be broadly consistent with systems of national accounts, systems of environmental-economic accounting, and other systems-based information.

Constructed from well-established data sources: Indicators should draw on well-established sources of public and private data and be consistent to enable measurement over time.

Disaggregated: Preference should be given to indicators that lend themselves to disaggregation by (i) characteristics of the individual or household (e.g. gender, age, income, disability, religion, race, or ethnicity)[2]; (ii) economic activity; and (iii) spatial disaggregation (e.g. by metropolitan areas, urban and rural, or districts).

Universal: The set of SDG indicators as a whole needs to track a universal agenda. Many (though not all) Core Indicators should therefore be applicable in developed as well as developing countries.

Managed by a designated organization: Each Core Indicator should be managed by one or more designated lead organization(s) that will be responsible for annual, high-quality national reporting of the indicator with due consideration to cost effectiveness, lean reporting processes, and national monitoring methods.

Localization: The report encourages a so called localization or contextualization of the indicators in a sense that countries augment the global list of indicators with their own national indicators, especially since many SDGs are inherently local in orientation. (SDSN, 2014)

Finally, but most importantly, the report lists a full set of suggested SDG indicators for the OWG proposed 17 goals and 169 targets. As discussed earlier, the indicators are clustered in two groups: Core Indicators that would be applicable to every country covering the most essential dimensions of the targets and Tier 2 indicators that would track issues that may be applicable to some countries only. SDSN considers the document as a basis for discussion and suggestions and notes its intention to issue revised versions of the report and align the indicator framework with the goals and targets that are expected to be adopted by the UN General Assembly in September 2015. The full set of proposed SDG indicators is available at: http://unsdsn.org/wp-content/uploads/2014/07/140724-Indicator-working-draft.pdf?utm_content=susan.alzner@un-ngls.org&utm_source=VerticalResponse&utm_medium=Email&utm_term=revised%20working%20draft&utm_campaign=SDSN%20Newsletter%20-%20July%202014content

1.3.2 SDG indicators by ASEF

As discussed in our first report, in January 2014 the Asia-Europe Foundation (ASEF) introduced 11 goals and sub-goals for future SDGs. Recently, in September 2014, this forum published a report proposing sustainable development indicators (SDIs) to assess the status and monitor progress towards this 11 proposed goals and sub-goals. Titled “Sustainable Development Goals (SDGs) and Indicators for a Small Planet: Part II: Measuring Sustainability”, the report is also designed to act as a practical handbook for those involved in designing and implementing indicators for the SDGs.

To develop the indicators, the authors examined existing global and national mechanisms and analyzed 14 countries in Asia and Europe: Australia, Bangladesh, China, France, Germany, Hungary, India, Indonesia, Japan, Poland, Republic of Korea, Singapore, Sweden and Switzerland. As they conclude, in many cases indicators and related data are available, although with great variation from country to country. They note significant differences in data availability among countries based on their level of development. They recommend considering monitoring aspects before setting targets, and considering new data collection methodologies to further improve indicators, such as GIS for

2 The SDSN report suggests that the disaggregation by age should at a minimum be by the following set of groups: 0-2 years (infants), 2-5 years (pre-school age), 5-14 years (school age), 15-49 years (childbearing age), 15-64 years (working ages) and 65 years and older (elderly persons).

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agriculture, biodiversity and other land use topics and internet surveys for social topics. The publication is the second in a series of three studies on the post-2015 development agenda. (IISD, 2014b) The report that also includes the full set of ASEF's proposed goals, sub-goals and related indicators is available at: http://www.asef.org/images/stories/publications/documents/ENVforum-Part_II-Measuring_Sustainability.pdf

1.3.3 Recommendations for Post-2015 indicator framework by UNSD

On 8 September 2014, the UN Statistics Division (UNSD) has issued a note on an indicator framework that would provide the indicators for the monitoring and reporting of progress on the post-2015 development agenda. According to the note, the goals and targets adopted by the Open Working Group for Sustainable Development Goals (OWG) and the outcome of the General Assembly (GA) process on the post-2015 development agenda are the basis for this indicator framework, while national and regional monitoring may utilize additional indicators. In terms of the work on the indicator framework, the United Nations Statistical Commission (UNSC) at its forty-sixth session (3 - 6 March 2015) is expected to discuss and agree on the process and modalities for the development of the indicator framework. For the MDGs the work on indicators was conducted by the Inter-agency and Expert Group on MDG indicators (IAEG-MDG), consisting of international agencies, regional organizations and national statistical offices, and this group has been responsible for the global and regional monitoring of progress towards the MDGs. The UNSC at its forty-sixth session may establish a similar mechanism for the development and implementation of the post-2015 indicator framework. The existing work on indicators conducted by different groups of countries and organizations will form the basis of work, and countries, organizations and the various groups working on indicators in specific areas are invited and expected to contribute their expertise and experiences to the definition and selection of the indicators and the design of the indicator framework. In its recent document, the UNSD suggests the following principles for the design of the indicator framework:

a. Existing and agreed indicators sets, be it from existing monitoring efforts, international agreements, conceptual frameworks, or other efforts, should be considered on priority basis.

b. The five conceptual issues (universality, inclusiveness, scope of the development agenda, inter-linkages and cross-cutting issues, and means vs. ends and focus on meaningful outcomes), as identified in the *Compendium of Statistical Notes* under Conceptual Issues should be considered.

c. The conceptual basis for the indicator framework should be discussed and elaborated as appropriate. The *Conference of European Statisticians (CES) Recommendations on Measuring Sustainable Development*, having been reviewed and agreed upon by an inter-governmental process are a useful starting point for the statistical community. The Rio+20 outcome document, *The future we want*, and the OWG *Outcome Document* represent the conceptual basis from a political perspective, which the indicator framework will need to reflect and respond to. It is suggested that as a first step the OWG targets should be mapped against each other and analyzed with respect to the three dimensions of sustainable development and the CES recommendations in order to identify inter-linkages, overlaps and gaps.

In addition, UNSD also suggests the following principles for the selection of individual indicators:

a. Criteria for the selection of individual indicators have been discussed in different for a in the past and present. These criteria should be reviewed and taken into consideration as appropriate. For example, indicators should be SMART: **s**pecific, **m**easurable, **a**vailable/achievable in a cost effective way, **r**elevant for the programme, and available in a **t**imely manner. In particular, the following recent references which contain criteria for indicator selection should be considered:

- *Lessons Learned from MDG Monitoring From A Statistical Perspective,* Report of the Task Team on Lessons Learned from MDG Monitoring of the Inter-Agency and Expert Group (IAEG) on MDG Indicators (IAEG-MDG) (March 2013);

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- Conference of European Statisticians recommendations on measuring sustainable development (Published in early 2014);
- *Indicators and a monitoring framework for Sustainable Development Goals, Launching a data revolution for the SDGs*, A report by the Leadership Council of the Sustainable Development Solutions Network (Revised working draft 25 July 2014)

b. The statistical notes provided to the OWG should form the starting point of the discussion of indicators in specific areas, as they represent an inventory of information on the measurability in these areas that has been compiled with the wide involvement of FOC members and organizations. (UNSD, 2014)

1.3.4 Monitoring frameworks for effectiveness of aid

In the process of the development of a post-2015 agenda and an assessment of the past shortcomings in relation to the MDGs, not only the amount but also the effectiveness of aid (also “aid agency effectiveness”, “quality of aid”) is widely discussed. Several high-level meetings aimed at developing a strategy and general principles to enhance aid effectiveness countries had been held during the past years:

- The **Paris Declaration (2005)**, which constitutes measures to increase recipient country ownership, to improve donor harmonization and alignment with recipient policies, to manage aid according to results, and to enhance mutual accountability;
- The **Accra Agenda for Action (2008)**, which added the need to improve predictability of aid flows and the reduction of conditionalities;
- The **Fourth High-Level Forum on Aid Effectiveness (Busan 2011)** where four general principles for effective cooperation were developed: ownership of development priorities by developing countries, focus on results, inclusive development partnerships as well as transparency and accountability (Bigsten, A. and Tengstam, S. 2014, p. 1).[3]

In the course of the Busan meeting, the **Global Partnership for Effective Development Co-operation** (GPEDC) was created, bringing together governments, the private sector and civil society with the aim to produce maximum impact for development. The Partnership provides a global monitoring framework to monitor the aforementioned principles, using ten indicators (use of country systems, alignment with country´s own development objectives, predictability, aid untying and a focus on results, mutual accountability; plus five indicators that have been developed based on what partner countries identified as important to capture). Subject of the monitoring framework are development cooperation efforts; thus, it does not explicitly refer to the MDGs. Nevertheless, the GPEDC perceives itself as an integral part of the implementation of the post-2015 development agenda. During its First High-Level Meeting **“Building Towards an Inclusive Post-2015 Development Agenda”** in Mexico in April 2014, it was stated that the GPEDC wants to contribute significantly to the “how” of the implementation of the new global agenda by seeking to advance efforts to bring about more effective development cooperation, building on the “contribution and catalyzing effect of ODA, as the main source of international development assistance” (Mexico High Level Meeting Communique 2014, p. 1). Ways to further advance development cooperations include mobilizing domestic resources and engaging the private sector as a key partner (MDG Gap Task Force Report 2014, p. 10). It is planned to provide a “[…] comprehensive review of the global arrangements for monitoring and reporting on the fulfillment of the Busan commitments towards the end of 2015 or early 2016 with a view to assessing ways and means for their continuous improvement and their relevance to the upcoming Post-2015 Development Agenda” (Mexico High Level Meeting Communique 2014, p. 7).

3 With regard to development efforts of CSOs, the Istanbul Principles for Civil Society Organizations´ Development Effectiveness and the International Framework for Civil Society Organization Development Effectiveness are important to mention.

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The full Mexico High Level Meeting Communique is available at:

http://effectivecooperation.org/wordpress/wp-content/uploads/2014/07/ENG_Final-ConsensusMexicoHLMCommunique.pdf

In July 2014, the Center for Global Development in collaboration with the Global Economy and Development Program at the Brookings Institution published the third edition of **"The Quality of Official Development Assistance"**. This report assesses aid quality for 31 DAC member countries and multilateral agencies, based on four dimensions: maximizing efficiency, fostering institutions, reducing burden, and transparency and learning. Its major findings are that "On the one hand, there are visible and significant gains in fostering institutions, and in transparency and learning, [while] there has been almost no change in maximizing efficiency or in reducing the burden on recipient countries" (Birdsall, N. and Kharas, H. 2014, p. II). "Fostering institutions" is understood as building the institutional strength in recipient countries by using country systems, priorities and approaches. According to the report, the share of aid spent on priorities that recipient country respondents identified as their primary concern has doubled. Additionally, transparency and learning was improved through donors´ commitments of the International Aid Transparency Initiative (IATI). At the same time, no improvements have been made with regard to the disbursement of aid across countries and sectors, and its availability for projects and programs in recipient countries as well as in terms of overlapping, wasting and fragmentation of donors´ efforts.

The report is available at:

http://www.cgdev.org/section/publications?title=quality+of+official+development+assistance&sort_by=field_date&sort_order=DESC

Already in 2010, the OECD published a development brief, pointing to three major problems concerning the effectiveness of the development system: firstly, support is not predictable; secondly, some countries are chronically under-aided and thirdly, fragmentation of sources piles up transactions and distorts national allocation decisions (Killen, B. and Rogerson, A. 2010, p. 1). The above mentioned findings indicate that these problems still remain a major challenge underlying the post-2015 development debate.

1.4 Remaining challenges around SDGs

1.4.1. Responsibilities

The MDGs have been criticized because the implementation of virtually all the goals were the responsibility of developing countries, or in other words, MDGs were about actions by the developing South financed by the developed North. In turn, during the post 2015 debate countries were called for more "universal" actions meaning that all countries – both developed and developing – should have responsibilities, and in particular, given the historical context of the MDGs, developed countries should "take the lead" in the responsibilities for global development (Leong, 2014). The OWG put together a set of proposed SDGs that are intended to be "action oriented, global in nature and universally applicable. They take into account different national realities, capacities and levels of development and respect national policies and priorities" (2014a. p. 9). Even though this final set of proposed goals were accepted by acclamation by all participant countries and just recently the UN General Assembly decided that this proposal should be the "main basis for integrating sustainable development goals into the post-2015 development agenda" (UN, 2014c. p.1.), there is still no full agreement in terms of "universality" and responsibilities. On the one hand there is the above cited UN approach, also known as the principle of common but differentiated responsibilities (CBDR), in which differentiation within a universally applicable agenda is an overarching principle. On the other hand certain developed countries define universality in a rather opposite way when under "universality" they rather mean "equality". Those who agree with this approach would see an equal treatment of all countries without any underpinnings of historical context and realities of resources

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and capacities. The reality is that this view is incompatible with the CBDR principle, and if taken seriously, would effectively undermine CBDR to which the international community has already committed itself (Leong, 2014). One of the main challenges that are still ahead of the finalization of the post2015 goals and agenda is to integrate this duality of universality and differentiation in a unitary framework. According to Leong, this duality does not mean dichotomy (as in the above discussed equality approach). A universal agenda can recognize that there are global development norms that are generally applicable to all countries and yet at the same time recognize that while all countries have responsibilities, different countries have differentiated responsibilities due to historical responsibilities and differing financial and other resources and capabilities (2014).

1.4.2. Financing

The global development system is shaped by a variety of transmitters and receivers of support, including foreign offices through embassies, government departments, local communities, international organizations, NGOs, investors, contractors and foundations. As already mentioned in the baseline report, the allocation of financing responsibilities and ways of implementation are still highly debated topics. Recently, a few meetings with the aim to develop financing strategies to support the post-2015 development agenda have taken place. The Fourth Biennial High-level Meeting of the Development Cooperation Forum (DCF) for instance was held on 10-11 July 2014 at the UN headquarters in New York. The aim of this meeting was to provide critical input into the post-2015 debate and to address the essential role that ODA could play in the post-2015 financing mix. It was stressed that the kind of support needed to achieve sustainable development will change into a mix of financial support, capacity building, knowledge-sharing and technology transfer and an enabling macroeconomic environment and international cooperation as well as greater policy coherence between aid and non-aid policies (e.g. trade, debt, agricultural subsidies, financial and tax regulations, and technology). Global foreign direct investment (FDI) remains the largest and most stable external source of private financing in developing countries, while ODA can help to catalyze FDI and support developing countries in creating an enabling environment for investments. It was stated that a post-2015 development agenda “must built on ODA as a vital source of development financing and advance efforts to meet the commitment of realizing the United Nations target of 0,7 per cent of gross national income as ODA […]. Further improving ODA quality must be seen as part and parcel of the effort on the part of a renewed global partnership to maximize the development impact of aid. A renewed global partnership for development […] will have to mobilize domestic and international support - both public and private- to complete the unfinished business of the Millennium Development Goals and put the world on a sustainable development pathway” (United Nations Economic and Social Council, Report of the Secretary-General, 2014, p. 14). To sum up, it puts great emphasis on a diverse mix of development finance, which makes necessary higher policy coherence between aid and non-aid policies and effective monitoring to ensure effectiveness of development cooperation and mutual accountability. It also points to the fact that the impact of private sector engagement in development will need to be assessed regularly in future. The full report is available at: http://www.un.org/ga/search/view_doc.asp?symbol=E/2014/77

A few weeks later, The Intergovernmental Committee of Experts on Sustainable Development Financing held its Fifth (and final) Session between 4-8 August 2014 at the UN Headquarters in New York. During this session, the Committee has finalized its report to the UN General Assembly on “options on an effective sustainable development financing strategy to facilitate the mobilization of resources and their effective use in achieving sustainable development objectives”. While these discussions addressed the financing of sustainable development as a whole, Member States would engage in the process to elaborate a post-2015 development agenda. Preparatory work outlined nine strategic approaches that underpin their proposed financing framework, inter alia the need to mainstream sustainable development financing in national budgets, where national efforts need to be complemented by international support measures and an enabling international environment. Particular emphasis was placed on capacity building in developing countries to establish effective and equitable tax systems and strengthened international cooperation on tax matters to combat illicit financial flows and promote greater transparency. In addition, a cautionary note was expressed

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regarding the need to carefully design public-private partnerships, referring to examples where these resulted in high returns to the private sector, while shifting high risks to governments.[4] The final report of the Fifth Session of the Intergovernmental Committee of Experts on Sustainable Development Financing is expected to be released by September 2014 and was not available at the time this progress report was finalized. [5]

Another challenge in terms of development financing is the need to modernize the ODA concept per se. An independent Expert Reference Group elaborated recommendations to modernize the DAC measurement framework due to changing flows, actors and instruments in the development landscape. Further, they stressed the need to align it with and support the attainment of SDGs. A special emphasis is put on the catalytic role of ODA for different sources, considering that the private sector plays an increasing role in finance for developing countries. Additionally, recommendations on a broader measure for total official support for development (TOSD), which includes various development-related official flows currently not captured in the ODA definition, were given. TOSD includes all official efforts to mobilize private flows. The Expert Reference Group concluded that transparency of resource inflows to developing countries should be enhanced and in-donor expenditures should be aligned in order to improve accountability, transparency and comparability. The full summary of recommendation is available at:

http://www.oecd.org/dac/stats/ERG%20Recommendations%202014%2008%2007%20Final.pdf

With the increasing focus on the private sector´s financial contributions to the post-2015 goals, the role of donors in supporting private-sector investments has gained importance. The catalyzing effect of official support has been stressed by several studies mentioned above; however, in order to ensure effectiveness, a few challenges have to be tackled:

- Firstly, co-ordination needs to be strengthened and data on private-sector financing needs to be improved as most of the flows are currently not captured in ODA statistics.

- Secondly, official finance to the private sector should be additional, which means that investments that otherwise would not be financed by the market due to the perceptions of risks, could also be financed.

- Thirdly, transparency and accountability needs to be enhanced, especially in terms of assessing the effectiveness of official support in contributing to the overarching goal of sustainable development (OECD Development Co-operation Directorate, 2014b).

Additional reports that will also address the issues of financial contribution are in the pipeline, available at http://ecdpm.org/dossiers/european-report-development/erd-2014. See also the timeline, Chapter 1.6. below.

4 A full summary is available at: http://www.un-ngls.org/spip.php?article4491

5 Recently, the importance of partnerships has been emphasized in order to combat Ebola in West Africa. The United Nations Office, together with several partners including authorities in affected and at-risk countries, civil society, private sector, non-governmental organizations, multilateral organizations, international financial institutions and UN Member States, launched the Global Ebola Response Coalition in September. Apart from financial contributions to several funds, the private sector, especially corporations already operating in the most affected countries of Guinea, Liberia and Sierra Leone, could provide valuable contributions through capacity building measures for local workers, carrying out “visible community outreach projects to contribute to “situational awareness” and technical support.5 This example shows the importance of mutual efforts, based on the strengths and capacity of development actors.

1.4.3. Simplification of goals and targets

The Rio+20 document requires that future global development goals and targets must be "concise, easy to communicate, [and] limited in number." The OWG proposed 17 goals and 169 targets do not seem to meet these criteria. In the coming months, governments and involved agencies face a serious challenge in the sense that they should find ways to refine and consolidate the proposed goals and targets and come up with a final simplified list that they all agree to adopt.

1.5 Next steps for the post-2015 process

The output of the OWG again is considered "only" as a proposal. As delegates and Co-Chair's indicated there is likely still another year's worth of deliberations before the SDGs are formally adopted by the UN General Assembly along with other components of the post-2015 development agenda. These parallel processes include: the Intergovernmental Committee of Experts on Sustainable Development Financing (ICESDF), the Financing for Development Conference (FfD), the UNFCCC negotiations or the post-2015 Framework for Disaster Risk Reduction etc. (IISD, 2014a)

1.6 Timeline including upcoming events

OECD-DAC Workshop on gender & state building. Date: 5 November 2014 location: Paris

World Conference on Education for Sustainable Development: The 2014 Education for Sustainable Development (ESD) World Conference will address, *inter alia*, how ESD can help move sustainable development policy and action forward to meet different global, regional, national, and local needs. **dates**: 10-12 November 2014 **location**: Nagoya, Aichi, Japan.

The 2014 CAPE conference: Does money matter? The role of finance in achieving the Sustainable Development Goals. **Date:** 12 November 2014 **location:** Overseas Development Institute, London, and streamed online.

17th meeting of DAC (Development Assistance Committee, OECD) **Evaluation Network**. **Dates:** 19-20 November 2014 **location:** OECD Headquarters, Paris.

DAC High-Level meeting. **Dates:** 15-16 December 2014 **location:** OECD Headquarters, Paris

46th Session of the UN Statistical Commission. At this session the UNSC is expected to discuss and agree on the process and modalities for the development of the SDG indicator framework. **Dates:** 3-6 March 2015 **location:** TBA

Third International Conference on Financing for Development: The third International Conference on Financing for Development will be held in July 2015. **dates:** 13-16 July 2015 **location:** Addis Ababa, Ethiopia.

UN Summit to adopt the post-2015 Development Agenda: The United Nations Summit for the adoption of the post-2015 development agenda was mandated by the UN General Assembly on 25 September 2013 (Resolution 68/6). **dates:** 21-23 September 2015 (tentative) **location:** UN Headquarters, New York. (IISD, 2014a)

Upcoming reports on financial resources:

5th European Report on Development (ERD): "Financing and other means of implementation in the post-2015 context".

Development Co-operation Report 2014: "Mobilising resources for sustainable development" (to be accessed at http://www.oecd.org/dac/dcr2014.htm)

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2 Latest outcomes of the post-2015 process for business

2.1. MDG Gap Task Force report on MDG Goal 8

A report on progress in the implementation of MDG8 examined by the MDG Gap Task Force was published on 18 September 2014. Goal 8 aims to provide specific types of assistance for developing countries, including access to aid, trade, debt relief, essential medicines and technologies, in order to support the achievement of the other seven MDGs. The report states that "a number of targets for Goal 8 are close to being achieved" (MDG Gap Task Force 2014, p. III), especially in terms of an extension of duty-free and quota-free access to developed-country markets for exports from least developed countries and debt relief for countries eligible for the Heavily Indebted Poor Countries Initiative. "At the same time, progress on other targets has been slow, in particular in reaching the pledged volumes of official development assistance (ODA)" (MDG Gap Task Force 2014, p. III). Although ODA flows reached a record of US$ 135 billion in 2013, this represents only 0,3% of combined Organization for Economic Cooperation and Development (OECD) Development Assistance Committee (DAC) donors´ gross national income (GNI), while a target of disbursing 0,7% of donor GNI has been set (MDG Gap Task Report 2014, p. XI). Despite an increase of aid, no significant improvement of development cooperation effectiveness can be noticed (see also paragraph 1.3.3). The growth of the total volume of ODA can be attributed to an increase of ODA contributions to multilateral institutions (US$ 41 billion) and humanitarian aid (US$ 11 billion). The aim to disburse 0,7 % of their GNI was only achieved by five donors (Denmark, Luxembourg, Norway, Sweden and the United Kingdom), the largest donors in order of volume were the United States of America, the United Kingdom, Germany, Japan and France. According to the report, development assistance is still concentrated in a small number of countries. Countries which received the highest amount of ODA in 2012 included Afghanistan, Vietnam, Ethiopia, Turkey, Democratic Republic of the Congo and the United Republic of Tanzania. Net bilateral ODA to Least Developed Countries, which heavily depend on ODA as a primary source of external and public financing, increased (MDG Gap Task Force 2014, p. 9 et seqq.). In order to achieve MDG 8 and especially with regard to the post-2015 development agenda, the report recommends that "first, there is a need to strengthen the linkages between Goal 8 and other goals; second, global monitoring of the partnership initiatives is an essential task; third, the successor to Goal 8 should periodically be reviewed for continued relevance; and fourth, efforts to attain the MDGs should not be confused with the broader, long-standing international commitment to foster sustainable development" (MDG Gap Task Force 2014, p. XI). The design and implementation of a comprehensive financing framework for these development efforts and the post-2015 development agenda are subject to discussions at the moment (see paragraph 1.4.2 on financing frameworks for the SDGs). The full report is available at: http://www.un.org/en/development/desa/publications/mdg-gap-task-force-report-2014.html

2.2. UN Global Compact White Paper

On 3 July 2014, right after its 2014 Board meeting, the UN Global Compact introduced a white paper, titled 'The Role of Business and Finance in Supporting the Post-2015 Agenda,' which showcases five implementation mechanisms to scale up the private sector's contribution to the Agenda: small- and medium-sized enterprises (SMEs); partnerships; transparency and accountability; enabling government policies; and private sustainability finance. *We summarize the main points of the paper below but it is important to note that most of the statements are desirable recommendations on what businesses should do in order to promote sustainable development as understood by the UN Global Compact. It is not clear at all whether businesses share these interpretations and would be willing to act accordingly.*

SMEs: According to the Global Compact, SMEs (comprising 95 per cent of all registered companies worldwide) involvement should be a major target, because the upgraded capacity among companies

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of this scale is likely to improve the quality of jobs on offer, including for women and marginalized groups – improving remuneration and building skill levels in countries at all levels of development. The paper also highlights that this business segment has enormous potential to pilot and eventually scale up entirely new business models and technologies. Large-scale companies have a vested interest in the success of SMEs. They are transferring knowledge and technology to help the capacity building of SMEs. Bigger companies should also upgrade their value chains in order to avoid complicity in misconduct or workplace abuses and mitigate adverse impacts directly linked to their business relationships and suppliers.

Partnerships: The document highlights the importance of effective partnerships and other collaborative arrangements with and within the private sector. Partnerships that allow for pooling resources, sharing risks and overcoming systemic challenges are considered particularly important to the successful implementation of the SDGs – requiring creativity, perseverance and the support of public trust through transparency and accountability. According to the Global Compact, while partnerships for sustainability are often thought of as large-scale, elaborately planned global projects tied to static, long-range targets, partnerships in fact most often take place locally as well regionally. They are springing up in large numbers and diverse formats, often in spontaneous and rapid response to new situations – sometimes tackling systemic issues and involving multiple stakeholders. Due to this multiplicity and wide pervasiveness of formats, centralized monitoring in detail may prove to be difficult and even self-defeating. An important step forward may be to develop guidelines for public interest partnerships, especially those involving the United Nations and its agencies, funds and programs, which can serve as a window on the integrity and long term efficacy of initiatives.

Transparency and accountability: Transparency and disclosure to stakeholders concerning a company's impact on sustainable development, and its commitments to improve on that record, is considered a chief measure for ensuring that companies are making progress and lending credibility to their commitments to sustainable development. This responsibility is an addition to compliance with all legal regulations as to corporate practices and provision of information. Increased number of consultations with businesses on the post-2015 development agenda are recommended in order to increase the number of companies that publicly commit to integrating sustainable development principles into their strategies and operations and then report on their progress.

Enabling government policies: Governments can apply policy frameworks that facilitate, set incentives and otherwise encourage the uptake of voluntary corporate and public-private initiatives in alignment with the Post-2015 development agenda. The White Paper discusses two policy instruments as examples:

Government assistance in setting prices for externalities (otherwise "free" goods as clean air, water, biodiversity, healthy ecosystems and even social capitals as community health, worker conditions, peace and stability). According to the paper prices that reflect the true costs and benefits of such goods can improve the functioning of markets, while providing a tool to advance sustainability and tackle threats.

Public procurement is another area that can be an important means for motivating businesses to adopt sustainability practices by applying sustainability criteria to bids from vendors and contractors, or by opening opportunities for women- and youth-owned enterprises. It is also an important avenue for transparency in public practice.

Private sustainability finance: In this section, the paper discusses that post-2015 funding needs will require a significant increase in financial resources, likely to run into a trillion or more dollars per annum in incremental investments. Private investment is increasingly recognized as an essential component, from institutional investors holding ever-larger volumes of funds and companies representing a major component of domestic finance, to foreign direct investment (FDI), which contributes the largest share of incoming flows to developing countries from developed nations. The Committee of Experts in Sustainable Development Financing is actively considering these issues. The Global Compact highlights that private investment will be most effective when redirected away from areas with negative externalities and towards sustainability issues. Private sustainability finance must shift towards a longer-term time horizon and a deeper adoption of sustainability considerations in investment decision-making throughout the investment chain: from responsible investment and active ownership, to sustainable FDI and catalytic philanthropy. This would mean moving beyond the current priority on investment volume for the sake of volume to a focus on quality and an assessment of the positive social and environmental impact of investments. By establishing the right incentives and regulations, governments could level the playing field and create competition to direct private investment in a way that advances sustainable development especially if working together with global initiatives including the UNEP Finance Initiative, the UN-supported Principles for Responsible Investment, and the Equator Principles.

In the final chapter of the paper Global Compact highlights the significance of "an early start on post-2015 business engagement". As they put it, the MDGs were hampered, in part, by a slow start because translation of the inspiring purposes set forth in the Millennium Declaration were not set into the form of goals and targets until well into 2001. There was a time lag in discerning progress on indicators, even though the benchmarks were set ten years in the past, in 1990. This time, the UN Global Compact and like-minded organizations are committed to get business off to an early start in contributing to the implementation of the SDGs. One notable effort that is taking shape is the development of a toolkit to support corporate measurement and goal setting in alignment with the final SDGs. Global Compact has partnered with the Global Reporting Initiative (GRI) and the World Business Council for Sustainable Development (WBCSD) to develop tools for corporate reporting. We quote three precepts form the basis for this project:

- The business expression, "if you can measure it, you can manage it" – and its converse. It will not be possible to gauge sustainability results and improve on them without: a measure for a company's current impacts – negative and positive – on a particular sustainable development theme; timely access to data; and, more important, a framework to indicate which data is important and relevant.

- The need to build trust. Businesses need to be able to demonstrate to their stakeholders using a recognized methodology the impacts of their actions, whether acting on their own behalf or in local, national or global partnerships, to be seen as credible partners acting in good faith. They should be able to match or exceed similar levels of transparency expected of public sector and civil society partners.

- Flexibility. SDGs and related targets are almost certain to cover wide-ranging areas of a diversified nature. Different issues possess varying degree of relevance to different industries. Companies should monitor and set goals where they have the most significant impacts. A simplified toolkit should also be available for less sophisticated firms, such as SMEs or farmer cooperatives, for example.

Scheduled for release in October 2015, the toolkit should be fully aligned with the Sustainable Development Goals that will be adopted by Governments. (UN, 2014b)

1.2. Defining the role of business in Sustainable Development[6]

One year before the finalization of the post-2015 agenda (including the final set of SDGs) the magnitude and range of business engagement, its accountability within the post-2015 project and how business can be a more positive force for sustainable development are still important questions to answer. Consultations are taking part on these issues at the global, regional and national levels led by UN Global Compact or other relevant global initiatives (such as the UN Industrial Organization (UNIDO). One certainly crucial outcome of these multi-stakeholder consultations is how corporate

6 The same caveat applies as in the previous section, see page 18, first paragraph

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sustainability and the role of business sector in the development agenda is defined and understood. The recently published White Paper of the UN Global Compact refers to a new paradigm in development thinking that recognizes the central role of private enterprise in the pursuit of the development agenda – and vice versa. Based on the feedbacks that they received during the aforementioned consultations the authors argue that corporate leaders are beginning to understand the business imperative of integrating environmental and social risks and opportunities within their core operations. As economic growth migrates to the developing world, for example, business should invest not merely to obtain low-cost inputs, but increasingly to build strong markets and societies, and contribute positively to them. According to this understanding poverty is the antithesis of a successful business environment.

In addition, access to core inputs such as energy, water, minerals, forest and farm products is no longer purely a question of marketplace acquisition. Resource availability can be limited or even curtailed by breakdowns in the integrity of the natural environment. As these convergences of interest between the public and the private sectors accumulate, companies that once enacted their social responsibilities as a philanthropic sideline, and later as a risk management technique, are now have to find ways to incorporate sustainability into the heart of their business models.

The Global Compact defines corporate sustainability as “the delivery of long-term value in financial, environmental, social and ethical terms” (UN, 2014b, p.3). In the earlier discussed White Paper the UN further elaborates their definition and states that businesses must avoid causing or contributing to harm as a minimum. In addition to this they also declare that companies are encouraged to take additional supportive actions through their core business, philanthropy, collective action and public policy advocacy, which is done as a voluntary complement and not a substitute or trade-off for the requirement to respect universal principles. (UN, 2014b)

1.3. UN recommendations to enhance private sector engagement in the implementation of Post-2015 agenda

In 24 September 2014, the UN Global Compact and UNIDO launched the synthesis report from their global consultations with the business sector. This report includes 23 recommendations for private sector engagement clustered in 5 main themes. These recommendations are as follows:

1. Developing Government Policies Which Drive Corporate Sustainability

   1.1. Government and business should engage in a collaborative approach to sustainable development, respecting and valuing the roles and capacities of one another.

   1.2. Government can put policy measures in place to incentivize greater implementation of voluntary sustainability regimes. These include tax breaks, access to export credits, promotion of best practices in the realm of sustainability, and integration and prioritization of sustainability criteria within transparent procurement tender contracts, etc.

   1.3. Policies to promote innovation should be prioritized as they are key to industrial development.

   1.4. Corporate actors should hold themselves responsible for the environmental and social impact of their actions, above and beyond what is required by legislation and regulation.

   1.5. A green industry framework can entail financial incentives; feasibility studies; alignment with international standards and norms; waste management systems; and support for resource productivity. Taxation could be shifted from labour to natural resource use, together with the removal of harmful subsidies.

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2. Mobilizing Private Sector Sustainability Finance

   2.1. Private sector will need to provide the bulk of innovative sustainable development financing.

   2.2. Governments can set conditions for dependable and fair access to credit for SMEs in order for them to be able to meet sustainability criteria, while meeting their economic return.

   2.3. Private sector entities should provide clear, accurate triple bottom line - economic, social and environmental - information about their operations to facilitate the workings of private sustainability finance.

   2.4. Non-traditional financial sectors must also be considered as potential sources of financing for sustainable development processes, including the philanthropic sector, corporate foundations, impact investors, etc.

   2.5. ODA remains a critical financing source for extreme poverty eradication, especially in least developed countries and countries in special situations.

3. Localizing the Architecture for SME Engagement

   3.1. SMEs should play an active role in the formulation of the SDGs.

   3.2. SMEs are flexible and innovative, yet they often lack the capacity to access global value chains. Enhancing this capacity should be a priority.

   3.3. Support for SMEs can be enhanced through financing instruments, but also through technology transfer and capacity building. Training, mentoring and knowledge – sharing platforms for SMEs and micro-enterprises can be provided, often by larger companies in a supply-chain relationship.

   3.4. Corporate sustainability and CSR measurement and reporting costs should be simplified in order to be affordable for SMEs.

4. Enhancing Partnerships

   4.1. A collaborative relationship between governments and business should set the rules of engagement and responsibilities for partnership initiatives.

   4.2. Public-Private Partnerships are vital to gaining the shared buy-in necessary, on the part of all stakeholders, needed to achieve the objectives of international development frameworks.

   4.3. Official Development Assistance (ODA) should be complemented by business partnerships solutions.

   4.4. Joint ventures between investing countries and host markets, such as are occurring under South-South cooperation, should be encouraged and scaled up and sustainability aspects emphasized by governments, business and SOEs.

5. Building Trust through Enhanced Transparency and Accountability

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5.1. To build trust and to be considered credible partners in the Post-2015 era, companies should be transparent with regard to their social and environmental impact, be accountable for how their activities create or deplete societal wellbeing, and report on what they are doing to improve performance.

5.2. Dialogue and closer engagement in international development processes should be fostered between governments, donors and SMEs.

5.3. Transparent and participatory policymaking processes should be fortified, involving the local community and the private sector, based on sound research capacity, market data and measuring development impact.

5.4. Awareness-raising and public education on transparency and accountability and developing curricula for training in secondary schools may be beneficial to realizing international development objectives.

5.5. Greater transparency can be achieved in the delivery of public services through traceability audits. (UNIDO, 2014)

1.4. SDGs that are directly linked to business

From a business perspective one of the main impediment of the MDG system was that it tend to underplay economic factors that are driving forces in achieving social well-being, while subsuming an important array of environmental and human-need challenges. According to the Global Compact it is encouraging that this time many of the priorities emerging from the aforementioned business consultations have turned out to be in alignment with the final set of SDGs proposed by the OWG – notably including stand-alone goals on education, gender equality and women's empowerment, water and sanitation, sustainable energy for all and climate change, as well as poverty. More particularly several goals and targets are directly linked to business and other economic factors:

- **Proposed goal 1.** "End poverty in all its forms everywhere".
    - Target 1.4. "equal rights to economic resources, as well as access to basic services, ownership, and control over land and other forms of property, inheritance, natural resources, appropriate new technology, and financial services including microfinance".
    - Target 1.a. "ensure significant mobilization of resources from a variety of sources".

- **Proposed goal 2**. "End hunger, achieve food security and improved nutrition, and promote sustainable agriculture" and specifically
    - Target 2.3: "by 2030 double the agricultural productivity and the incomes of small-scale food producers, particularly women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets, and opportunities for value addition and non-farm employment"

    - Target 5.5. "ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life"

    - Target 5.a "undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance, and natural resources in accordance with national laws."

    - Target 6.4. "by 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water

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scarcity, and substantially reduce the number of people suffering from water scarcity."

  - Target 7.2." increase substantially the share of renewable energy in the global energy mix by 2030"

  - Target 7.a. "by 2030 enhance international cooperation to facilitate access to clean energy research and technologies, including renewable energy, energy efficiency, and advanced and cleaner fossil fuel technologies, and promote investment in energy infrastructure and clean energy technologies"
  - Target 7.b" by 2030 expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all in developing countries, particularly LDCs and SIDS"

- **Proposed goal 8**. "Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all."

- **Proposed goal 9**. "Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation."

- **Proposed goal 10.** "Reduce inequality within and among countries."
  - Target 10.b. "encourage ODA and financial flows, including foreign direct investment, to states where the need is greatest, in particular LDCs, African countries, SIDS, and LLDCs, in accordance with their national plans and programmes."

- **Proposed goal 12**. "Ensure sustainable consumption and production patterns."

- **Proposed goal 17.** "Strengthen the means of implementation and revitalize the global partnership for sustainable development" that include, among others, references to trade, finance, technology and multi-stakeholder partnerships.

(Source: UN, 2014a.)

1.5. Criticism of the business case for SDGs

On the surface, it seems that UN reached a sort of agreement with stakeholders in terms of the above discussed business case for sustainable development. However, the fact is that this argument is highly criticized from several angles. Gupta et al, for instance, note that there has been a tendency to make trade-offs in favor of growth at the expense of the poorest, and there is the risk that the SDGs may result in 'weak' sustainability, either in the design of the general goals or in the development of operational targets, indicators and means of implementation. In addition they highlight the necessity to evaluate the proposed SDGs and targets developed by the OWG against the criteria for inclusive development because as they put "social goals tend to be marginalized in the implementation of sustainable development while economic growth is prioritized often also at the cost of ecological goals" (2014, p.1).

As a conclusion, Gupta et al argue that while the SDGs prima facie are strong on inclusiveness, the elaboration in the text on targets is much weaker in terms of meeting the criteria for inclusiveness. For example, there is emphasis placed upon both enhancing access and opportunities and including all in political participation and capacity building, however, there is very little focus on the extra capacity building and support needed for the poorest and most marginalized to ensure that they would be actually able to access new SDG-initiated resources and opportunities. In addition they argue that the OWG-proposed set of SDGs does not score well in addressing limits to ecosystems. Furthermore, while certain targets focus on generating new resources, they are very limited in their considerations of the large tax havens and huge business economies that operate outside of the

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various tax systems. As a final conclusion, the paper calls for increased attention to the principles of inclusive development, otherwise "the SDGs will join the sphere of paternalistic goals, which may enhance the conditions of the vulnerable while not adequately addressing the challenging relational politics of sharing our Earth in the Anthropocene" (Gupta et al. 2014. P.4.).

3 Implications for the Global Value Project[7]

3.1. Poverty alleviation makes the business case for post-2015 agenda

With the announcement of the final set of proposed SDGs the development of post-2015 agenda reached another significant stage. At this point, based on the available communications, we can conclude that by learning from the weaknesses of MDGs the next set of global development goals would put more emphasis on the involvement of the business sector. In fact, relevant initiatives consider business as strategic partners in the formulation and also the implementation of the post-2015 agenda. According to the UN Global Compact, for instance, the business case for the next global development agenda should be built on the overarching vision of fighting against poverty in order to achieve worldwide prosperity. This argument puts concentrated attack on poverty as the main point of address of the SDGs (as a continuation of MDGs). It emphasizes that poverty overlaps with other social needs and it represents a main impediment to the benefits that markets and entrepreneurship can deliver. In terms of environment too, they argue, a minimal level of prosperity for all is the single best means of building a global consensus in favor of planetary protection. And finally, at the Global Compact they believe that safeguarding rural areas where most of the poor live, and protecting the soil and water from which they obtain their livelihoods, effectively brings together the environmental, social and economic aspects of the future development goals (UN, 2014b). The partners of the GV project that deals with the assessment of the impact of MNCs on global development must understand and incorporate the aforementioned arguments as the ones that most probably would represent the standpoint of communities and drive their expectations over the post-2015 agenda.

3.2. SDGs and the Global Value issue areas

The Global Value issue areas include the 8 Millennium Development Goals and three additional topics namely Human Rights, Gender & Diversity, Anti-Corruption & Transparency. The recently announced OWG report that also includes the final set of proposed SDGs also incorporates all these issues: Human rights as an overarching principle (discussed mostly in the introduction or chapeau), Gender as a stand-alone goal (Goal 5) and Anti-corruption as a target (Target 16.5). We believe that GV partners should also refer to this document and develop links while building an argument for the relevance of our research focus and the importance of our issue areas.

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7 This part of the report offers only couple of suggestions. We recommend a thorough discussion of the implications involving all GV partners.

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