

# **A New Global Partnership: Eradicate Poverty And Transform Economies Through Sustainable Development**

## **Speech at the Presentation of the Recommendations of the UN Secretary-General's High-Level Panel of Eminent Persons on the Post-2015 Development Agenda**

by

**Former President of the Federal Republic of Germany Horst Köhler**

**Berlin 14 June 2013**

I am delighted to be able to present the Report of the High-Level Panel of Eminent Persons on the Post-2015 Development Agenda to you today. I don't mind admitting that my delight is tinged with a little relief: the past few months have been tough, and I was not always sure whether we would achieve a consensual result. I now believe and hope, however, that the Panel has produced a powerful document that can be a valuable tool in our quest for solutions to the major global challenges of the twenty-first century.

I would like to begin my speech today by outlining the work of our Panel before moving on to the main thrust of the Report and making some personal remarks on it. But beforehand, if I may, I would like to make one preliminary remark. The German Government placed a very professional support team from the Federal Ministry for Economic Cooperation and Development, the Foreign Federal Office, KfW and GIZ at my disposal, and DEG was also involved. I would like to thank not only the German Government but also – and particularly – these colleagues. Most of them are here today, so please stand up, Dr Rödiger-Vorwerk, Dr Ulbert, Ms Schenk-Dornbusch, Ms Denker, Mr Fritz, Mr Cabani and Mr Proffe.

### **I.**

Ladies and gentlemen, why are we here today? Why, last August, did the Secretary-General of the United Nations ask 26 individuals from around the world to draw up recommendations on the future of the global development agenda? Let me begin with a few contrasting numbers.

*On the one hand*, global production of food must be increased by up to 70% by the year 2050 if the nutrition needs of the world's growing population are to be met.

*On the other hand*, around 13 million hectares of forest are destroyed every year, primarily because they are used for agriculture. This transformation of ecosystems is having a massive negative impact on the world's eco-balance.

*On the one hand*, three billion people around the world have no access to a basic supply of energy.

*On the other hand*, more than 80% of the world's energy supply is still derived from fossil fuels, which harm the environment and contribute to climate change.

*On the one hand*, 1.2 billion people live in extreme poverty and consume just 1% of all goods and services.

*On the other hand*, if we are to limit global warming to two degrees Celsius, our CO2 emissions from fossil fuels between now and 2050 must be restricted to around 750 billion tonnes. This global CO2 'budget' is currently on course to be used up within 25 years, even if emissions are frozen at their current levels.

These statistics illustrate the two major challenges we face. The extent of deprivation and poverty in the world is still a scandal, and our goal is to ensure that every individual can lead a dignified life. At the same time, our environment faces enormous man-made threats, and our goal is to ensure that the planet – and humanity – can survive in the long term. The Herculean task entrusted to the High-Level Panel was to reconcile these two goals and to devise an 'agenda for people and planet'. The Secretary-General of the United Nations asked the Panel to be bold but also practical in its recommendations. So how is that circle to be squared?

Ladies and gentlemen,

The composition of the Panel was a masterpiece of precision engineering: it comprised 26 individuals from all parts of the world plus one Special Advisor of the UN Secretary-General, 14 women and 13 men, young and old, politicians and academics, activists and business leaders, and 'freelancers' like myself. What's more, the three co-chairs represented an industrialised nation, an emerging economy and a developing country! You can imagine how lively our discussions were as a result. It was really not easy to get such a diverse group to produce a report on the future of the human race in just a few months, under severe time pressure. And of course not every individual member of the Panel is in full agreement with every specific point and detail of the report. Nevertheless, all are able to say about the result as a whole: We endorse this!

Our group was also a microcosm and brought many different perspectives together. We all learned a lot from each other – *I* certainly learned a lot! I was extremely impressed by the seriousness and candidness shown in the discussions and, particularly, by the contributions of colleagues from developing countries and emerging economies.

I believe the Panel's work demonstrates that, despite all the differences and diverse interests, it is possible to work together and reach a basic consensus on how we can create a better world. I share the underlying optimism of the Report and see it also as encouragement not to give up in the face of the sheer scale and complexity of the challenges.

## II.

So how did the Panel actually do its work, and how did we reach a consensus for the Report? During five intensive meetings, in New York, London, Monrovia, Bali and, finally, back in New York, we hammered out a shared analysis of the Millennium Development Goals,

agreed what has worked and what hasn't, debated the fundamentals of development, and argued heatedly about the priorities for a new development agenda.

We also sought guidance from outside our own group, holding a large number of outreach events in our own countries and on the fringe of each of our Panel meetings. We cast our net widely within our own societies and cultures, consulting academics and youth organisations, representatives of churches and trade unions, women's rights activists, disability campaigners and environmentalists. It was a shared journey, and the Report I am presenting today charts that journey.

Our Panel reached relatively rapid agreement on one key point: we agreed that extreme poverty can be eradicated and that we must – and can – find a way to do so within our planetary boundaries. In two particularly productive sessions, in Monrovia and in Bali, we realised that this requires a far-reaching economic and social transformation right across the globe, in the South and the North, in the East and the West. We concluded that the post-2015 development agenda must be a universal agenda and achieve five major transformative shifts.

**The first major transformative shift is 'Leave no one behind'.** This is how we have formulated our aspiration to end extreme poverty once and for all, in all its manifestations. We want to ensure that no one – regardless of gender, ethnicity, religious affiliation, disability or geography – is ever denied their universal human rights or a minimum standard of living. It is a scandal that extreme poverty and material abundance coexist in the world, a scandal that must be stopped – anything else would be cynical and, if you will forgive me, cowardly!

Of course, in articulating this message, the Panel also wanted to send a clear signal that amid the discussions around the post-2015 agenda, the work on the existing MDGs should not be forgotten – we must *finish the job!* Beyond that, however, the Panel has not only articulated goals that are more ambitious than the MDGs, it has also insisted on redoubling our efforts to target extreme inequality. Our goal can no longer be to achieve improvements for as many individuals as possible, thus changing the average; it must be to reach those who most urgently need it. The Panel Report therefore among other things also calls for a 'data revolution'; by differentiating our future data collection in terms of income group, gender, disability, age, and place of residence, we will be able better to tailor policies to people's real needs.

**The second major transformative shift is 'Put sustainable development at the core'.** Sustainability and sustainable development have been political buzzwords for nearly 30 years now, but no country in the world has yet managed to restructure its model of consumption and production so as to produce a viable model of development for the future. Every year, more than 100 million individuals join the global middle class. What kind of life do they want to live? Adapted to our modern world, Kant's categorical imperative could be as follows: Each of us should live our life in such a way that all the seven billion other individuals on the planet could also adopt the same lifestyle. If we, in the global North, measure our personal and political actions by that yardstick, we are forced to conclude that there is a glaring mismatch between our aspirations and reality. Too often, our business model for growth in the North involves outsourcing our environmental and social costs, not least to emerging

economies and developing countries. If everyone in the world lived as we live, the world would be on the point of collapse. The only sensible course of action is, therefore, for us to change our consumption patterns and our economic habits. Given our environmental footprint, this cannot be refuted either on objective or on political grounds. I believe the principle of ‘common but differentiated responsibility’ will point us in the right direction as we restructure for global sustainability, if the different areas of responsibility really complement each other and form a global agenda for the benefit of all.

For example:

- The developed countries must demonstrate credible leadership by transforming their production and consumption patterns towards sustainability, and by decarbonising their energy systems. They must support developing countries in basing their development on new, environmentally friendly technologies from the start.
- The emerging economies must assume more international responsibility, in line with their growing importance in the global economy.
- The developing countries must step up and consolidate their own efforts to achieve good governance, fight corruption and create favourable climates for investment.

The key requirements for all this are a broad awareness and understanding of the processes involved, combined with political will and the action to back up that will. Politics must provide incentives for this structural transformation and must not shy away from regulation if that means creating a market framework that rewards environmentally responsible ways of doing business and does not shift the cost of environmental pollution on to the general public. The ‘polluter pays’ principle must be applied consistently and globally. The Panel’s Report makes it clear that many businesses are already rethinking the way they use natural resources, even though only around 25% of all large companies around the world currently report to shareholders on their sustainability practices – including their social sustainability practices. Sustainability reporting should be made the norm as soon as possible.

**The third major transformative shift is ‘Transform economies for jobs and inclusive growth’.**

The Panel calls on the global community to reject acceptance of ‘jobless growth’ and to judge the benefits of growth especially by its ability to create income and employment for all. By 2030, the world will have 470 million more citizens than it currently has, most of them in Africa and Asia, who will be crowding on to the labour market and seeking to carve out a future for themselves. Young people make up the bulk of this group, of course, and so I am happy that my colleagues agreed with me that young people’s prospects deserved special attention in the post-2015 development agenda. The Report recommends tackling this in particular through education and training, through transforming the economies of developing countries to higher levels of productivity and value creation chains, and through creating a stable environment for the private sector that is subject to the rule of law and involves an energetic crackdown on corruption. In a follow-up to the Panel, together with my Kenyan colleague Betty Maina I suggested that European and African entrepreneurs hold a dialogue

on this transformative change. The conference will be taking place this month in Accra, Ghana. DEG will be providing organisational and financial support, for which I am most grateful.

If you will permit me, I would like to make a personal comment on the topic of ‘growth’, as there was too little time to discuss this within the Panel. The focus on growth, in particular in developing countries and emerging economies, is justified and necessary. However, the global North must be aware that blind faith in growth alone will not ensure our long-term well-being – material or spiritual. We have to rethink and arrive at a definition of prosperity that does not rely solely on material growth but also takes account of other dimensions of happiness, particularly if we are to avoid the prospect of our model of prosperity collapsing totally one day. I very much hope that the report produced by the Commission of Enquiry set up by the German Parliament (‘Growth, prosperity and quality of life – paths to sustainable economic activity and social progress in the social market economy’) will contribute to triggering policy-changing consequences in Germany.

**The fourth major transformative shift is ‘Build peace and effective, open and accountable institutions’.** Freedom from violence and conflict is not just a fundamental human right; it is the basis of all prosperity. At the same time, many people around the world are calling more and more insistently for transparent governments that are accountable to their citizens. Access to justice, freedom from discrimination and persecution, and a voice in decisions affecting individuals are all development goals in the strict sense of the term as well as enablers for development itself. The Panel Report is in no doubt: peace and good governance are not optional extras but core elements of well-being and development.

**The fifth major transformative shift is one that – I don’t mind admitting – we discussed for some time within the group: ‘Forge a new global partnership’.** We debated whether we needed a new paradigm for international policy, whether we needed a leitmotif for the post-2015 development agenda that finally does justice to the strong interdependence across our planet. Our final response was unequivocal and unanimous: yes, we need a paradigm shift in global governance. This means we need more than just a list of new or different development goals. Because we know that ultimately we are all in the same boat, the strong and the weak, the rich and the poor. The Panel agreed that the post-2015 agenda must be founded on a new spirit of solidarity, cooperation for mutual benefit and mutual accountability. In my view, this is in fact the most important transformative change. Under this paradigm, the new global partnership will also set out to achieve a shared understanding of the global common good and global ethics. And this imposes some very specific demands on a post-2015 agenda. National governments must redouble their efforts to seek multilateral solutions and gear their national policy to the global common good. Development policy must break free of the aid niche and be a creative force for global rule-making. And all stakeholders have a contribution to make to this new spirit of partnership: the business sector, civil society, foundations, international organisations, and scientists and academics, not forgetting the people of the world. Each individual has his or her part to play in ensuring that the shared vision of a world without poverty and environmental damage becomes a reality. That is the over-arching principle that should be guiding the post-2015 agenda. The Panel also made it

clear that this principle must for instance lend fresh authority and urgency to the fight against corruption, illegal financial flows and money laundering.

### III.

Against the background of these five major transformative changes, we set out our priorities in a list of 12 illustrative goals and 54 targets. If you will permit me, I would like to name these illustrative goals:

Goal 1: End poverty

Goal 2: Empower girls and women and achieve gender equality

Goal 3: Provide quality education and life-long learning

Goal 4: Ensure healthy lives

Goal 5: Ensure food security and good nutrition

Goal 6: Achieve universal access to water and sanitation

Goal 7: Secure sustainable energy

Goal 8: Create jobs, sustainable livelihoods and equitable growth

Goal 9: Manage natural resource assets sustainably

Goal 10: Ensure good governance and effective institutions

Goal 11: Ensure stable and peaceful societies

Goal 12: Create a global enabling environment and catalyse long-term finance

Here it becomes particularly clear: these goals do not only apply to developing countries and emerging economies, but also to the global North.

I should like to add just a few words on Goal 12, 'Create a global enabling environment'. Including this Goal took a considerable time and intensive discussions. For me, it was vital that we did not come down in favour of a business-as-usual, straight aid agenda. The key areas of a global enabling environment for economic and social development include an international financial system that is less vulnerable to crises and serves the needs of the real economy, a fair and development-friendly international trade system, and a CO2 emissions regime that effectively reduces the risk of climate change. In my view, the current state of progress in all three of these areas is unsatisfactory, in parts even alarming. Despite all the summit resolutions on a global enabling environment of this kind, time and time again massive lobbyism, sometimes operating at great expense, and short-term tactical politicking, are preventing needed changes. And unfortunately the major international organisations are not creating an appropriate counterweight to these forces of inertia.

#### IV.

I am delighted that the Panel came out emphatically in favour of making implementation of the new agenda subject to careful regular monitoring and giving the United Nations responsibility for doing so. I myself proposed as part of this discussion that the high-level political monitoring forum cited in the report should be supported by an independent advisory committee, which would give the international interest a stronger voice. And I hope that the monitoring process to be set up will lead to greater accountability, particularly through the involvement of civil society.

#### V.

Ladies and gentlemen, I naturally hope that this Report receives as broad and as positive a reception as possible, especially in the main centres of governance around the world. However, the Panel will not *decide* the future of global development goals post-2015, nor was it the *only* body working on proposals for the post-2015 development agenda. Back in September 2011, a United Nations Task Team was convened for this purpose. A further strand is the more than 60 regional and 11 thematic consultations the UN held with governments, civil society and other relevant actors. Meanwhile, the Rio+20 conference set up the Open Working Group, which is working on a new system of goals at inter-state level. I can only hope that all these processes will converge in a single convincing decision-making process by 2015. Secretary-General Ban Ki-moon's report to the United Nations General Assembly in September this year may contain first pointers in this regard.

#### VI.

So what does this Report mean for Germany and German policy-making? If I may, I would like to make five personal remarks on this.

**Firstly**, this Report and the entire post-2015 process offer the global community an immense opportunity to build on the Millennium Declaration of the year 2000. They could open the door – or, at least, begin to do so – to a new global political paradigm and to a new age of international cooperation in which national sovereignty is placed within the broader context of the global common good; some refer to this as ‘responsible sovereignty’. As Indonesia's President Yudhoyono said, beyond national interest, there is a common international interest, a genuinely universal perspective. I believe the historic economic and political ascent of the emerging economies, the mood of optimism in Africa, and the tentative search by many crisis-ridden industrialised nations for a new economic and social identity, could and should give this perspective a boost. Che Guevara said that solidarity is the best expression of the tenderness of the people. But in the interdependent world of the 21<sup>st</sup> century it is *cooperation* as well as solidarity that best expresses that tenderness!

I therefore hope that German policy-making will play an active and credible role in developing this new global partnership. I hope that we do not merely consider the benefits to our own country and to Europe but seek to link these concerns with the aspiration to achieve peace, development and the preservation of creation throughout the world. And I hope to see

a courageous Europe that rises to the challenge of the needed transformation, and in doing so demonstrates that the European model is alive and well, and continues to be avant-garde.

That leads me directly to my **second point**. The post-2015 development agenda must be an agenda for the whole of German policy-making – to put it another way, nobody should make the mistake of thinking that it is a development and foreign policy programme that concerns only BMZ and the Federal Foreign Office. If the recommendations contained in the Panel Report are taken seriously, this agenda will have major and fundamental consequences for all areas of policy. In other words, the global partnership and the new agenda is a cross-cutting issue. That, after all, is the Panel's message: it is not only the South that needs to change, and it is not only the developing countries and emerging economies that face problems. No, change must also take place in the industrialised countries! This also means that Germany's list of homework is long. Allow me to give you some examples. We need to be bold and energetic in pursuing an energy policy that multiplies energy savings and systematically abandons CO<sub>2</sub>-intensive forms of energy. It is time we stopped putting up with the insanity of vast quantities of nutritious food ending up on our rubbish dumps every day. As individuals, it is time we took a long hard look at our consumption habits and their effects on other people, the environment and ourselves. It is time we put our energies into new approaches to mobility. It is time we made a European agricultural policy that does not hamper developing countries in putting their food production on its own feet, and a European trade policy that makes it easier for those countries to build a diversified economy. In this context, I welcome the discussions on a transatlantic free trade zone but I wish that much more political capital were being invested in reaching agreement on a fair and development-friendly global trade regime. A transatlantic free trade area cannot be allowed to disadvantage the developing countries under any circumstances.

**My third point is this:** we have no reason to fear the rise of the emerging economies. Let us not forget that it is primarily thanks to the emerging economies that MDG 1 – the goal of halving the global poverty rate – appears to have already been achieved. The progress made towards combating poverty in, say, China and Brazil is unique in human history, and we should rejoice at that! However, this progress also, of course, challenges the traditional structures of the global economy. The latest Human Development Report estimates that as early as 2020, the three largest emerging economies – Brazil, China and India – will have a combined economic output that outstrips that of Canada, France, Germany, Italy, the United Kingdom and the United States. I believe that that prospect can be transformed into a new opportunity for the German economy, which is, of course, known for its performance and innovativeness. Countries with a rapidly expanding real economy that are driving forward industrialisation will need German plant and machinery and German know-how to solve complex problems. And I know of no country in which German skills in the area of green technology are doubted. We can and must make use of this good reputation. My great hope is, therefore, that as value creation and jobs become more important in developing countries and the emerging economies, Germany's small and medium-sized industrial businesses, with their socially responsible and locally based model of entrepreneurship, step up their engagement.



Ideas and creative minds are the key to successful development in any society, which brings me to my **fourth remark**. Education and training must be given top priority around the world, as the Panel Report emphasises. So what can we in Germany contribute? I believe that we can offer valuable support, particularly on the basis of our experience in vocational education and training. Our ‘dual’ vocational training system, which combines on-the-job and classroom training, enjoys a superb reputation worldwide for producing excellent workers who not only have the practical skills that companies need but can also back up those skills with the necessary theoretical knowledge. A major joint venture by the German private sector to promote vocational training in developing countries – undertaken in collaboration with the German Government, the German federal states, the Chambers of Industry and Commerce, business associations and the Senior Expert Service – would also be a huge investment in growth and jobs in Germany!

My **fifth remark** is addressed to German civil society, and a glance at the participant list shows me that it is well represented here today. Let me begin by saying that I have learned a huge amount and been stimulated by my encounters with civil society organisations over the past year, but also from the many written submissions I have received. And I am pleased that the entire Panel process has created broad scope for the involvement and the voice of civil society. We need a vibrant civil society, not only in individual countries but also at global level. Its ideas, its scope for inspiring and mobilising people, and its contribution to the key recognition that we live in *one world* will underpin any new policies. But let me also say clearly that the involvement and initiatives of civil society are no substitute for a new spirit of cooperation between governments nor for political governance to support it.

And the new agenda that the Panel Report outlines requires organised civil society, too, to rethink and change direction: civil society also has far too many silos, with environmental organisations on the one hand and development organisations on the other. I would very much like the new spirit of partnership also to blow the winds of change through Germany’s NGO sector.

## VII.

Ladies and gentlemen,

The graveyard of forgotten UN reports is home to a number of paper tigers that died the second the ink was dry on them. It is my fervent hope that this Report does not suffer the same fate. The Report certainly does not provide all the answers. However, I hope that it sparks a debate on values and cooperation on this planet. What would happen if it really triggered a global debate about how we want to shape our shared destiny? What would happen if governments redoubled their efforts to get actively involved in the post-2015 process because they wanted to shape the future for people and the planet for more than just one term of office?

I believe that the key to a successful post-2015 development agenda can be summed up in a single idea: trust. Indeed, trust may be the most under-estimated resource in international politics. Be that as it may, it is essential to productive cooperation and the opportunity to work

together to solve problems. Without trust, there can be no real partnership! Yet to build trust, we need credibility – our words must match our deeds, and our dealings with each other must be shaped by an awareness of our own shortcomings. Merely discussing the new Agenda should have the effect of building trust.

I would like to conclude by quoting my colleague on the panel, Tawakkol Karman, a courageous Yemeni human rights lawyer and Nobel Peace Prize Laureate. In her speech on presentation of the Report to Secretary-General Ban Ki-moon, she said, ‘The governments of the world will now have to decide whether they wish to adopt this new paradigm. There will be a great temptation to take the more comfortable and more conventional path.’

We can all do something to ensure that this temptation will have a very hard time.