

# THE TURNING POINT ON POVERTY

# Background paper

## 1. Summary

This paper aims to set the scene for DFID's MDG Conference – Agenda 2010: The Turning Point on Poverty – by taking stock of where we are in terms of achieving some of the most off-track MDGs, acknowledging new and contemporary challenges that we will need to overcome, and highlighting opportunities to accelerate progress. It should be read in conjunction with the nine other issues papers which DFID has also produced for the conference.<sup>1</sup>

In order to provide a clear focus and to devote sufficient space to analysis, discussions in the conference and this paper concentrate on what needs to be done in three areas in particular: hunger and nutrition (MDG1), education (MDG2) and maternal and child health (MDGs 4 and 5). However, we argue that the hallmarks of success to date, and principles for action going forward, would resonate across all eight MDGs.

## 2. The opportunity of 2010

Ten years ago 189 countries adopted the Millennium Declaration and committed to measurable goals and targets for poverty reduction and sustainable development.

The MDGs are achievable, and yet the possibility of falling short of the goals is very real. We know that the MDGs remain off track in several poor regions. Moreover, the fall out from the global financial crisis and the food and fuel price hikes that preceded it pose severe threats to hard won gains. The MDGs were born of a benign era of relative stability, strong economic growth and fairly buoyant aid budgets. The context for pursuing the eight MDGs over the next five years is one of greater volatility and uncertainty.

DFID's White Paper - Eliminating World Poverty: Building our Common Future (2009)<sup>2</sup> - addressed three new and contemporary global challenges to development: economic recovery and volatility, conflict and fragility, and climate change.

**Growth** is essential to accelerating progress on the MDGs, but the fuel, food and financial crisis, followed by the global economic downturn, have all had sizeable impacts on growth rates in poor countries. Tackling **conflict and fragility** is critical to achieving the MDGs too. No fragile or conflict-affected state has achieved their MDGs and few are likely to do so. **Climate change** threatens to stop and reverse progress on the MDGs. Poor countries and poor people living within them tend to be more seriously affected, yet they lack assets and capacities with which to cope with and adapt to impacts. The DFID White Paper highlighted that the international community collectively needs to find policy solutions and resources to tackle these global problems. It is in all our own interests to do so.

<sup>1</sup> Other conference background papers address: economic recovery, climate change, fragile states, gender, governance, water and sanitation, education, hunger and nutrition, maternal and child health.

<sup>2</sup> DFID (2009) Eliminating World Poverty: Building Our Common Future

But with this changed context come new opportunities. There is greater recognition that in an increasingly interdependent world, global problems need global solutions; there is a greater demand for inclusive international dialogue and collective action on issues such as strengthening the effectiveness of development cooperation, or tackling global warming; and there is greater recognition that expanding global trade and investment markets must encompass low income countries. The emergence of the G20 offers a new forum within which to discuss development as part of efforts to secure more balanced and sustainable growth; it provides space for emerging economies to bring their successful experiences to the fore of the debate.

The UNDP Needs Assessment, due to be published in May 2010, will provide a sound evidence base to develop a Global Action Plan to deliver the MDGs, which will be agreed at the UN Summit in September. The summit itself will be the climax of an intense process of review and consultations over the course of 2010. DFID's MDG Conference on 11 March is an integral part of the build up to September.

### 3. MDG Stocktake<sup>3</sup>

Progress against the MDGs has been uneven – several of the MDGs are likely to be missed in many countries. And yet, progress in the last 10 years significantly surpasses that of the previous decade – particularly in Africa. And a number of countries, even some of the poorest, have achieved remarkable successes. For each MDG, even those that are off-track globally, there are success stories and areas of progress. Across the MDGs that are the focus of DFID's conference, there are sufficient examples to demonstrate that with the right policies, adequate levels of investment, and international support, real progress can be made.

#### a. Hunger and Malnutrition

The number of hungry people globally rose from 842 million in 1990/92 to 873 million in 2004/06 and 1.02 billion during 2009 – the highest level ever<sup>4</sup>. Overall, sub-Saharan Africa is not on track to meet the MDG target to reduce hunger by half between 1990 and 2015. However, even in this region, there are remarkable success stories<sup>5</sup>. Some countries have achieved dramatic reduction in the prevalence of underweight children. In Ghana prevalence fell from 27 per cent to 14 per cent between 1992 and 2008. In Zambia, prevalence fell from 25 per cent to 15 per cent between 1992 and 2007<sup>6</sup>.

#### b. Primary Education

There has been significant progress on getting children into school, particularly girls. The number of out-of-school primary aged children has dropped from 103m in 1999 to 72m in 2007, with the share of girls out of school declining from 58 per cent to 54 per cent. Some

<sup>3</sup> Country level MDGs progress assessment uses a DFID methodology based on work carried out in 2007 by Oxford Policy Management. The methodology uses UN Statistics Division country data and Demographic and Health Survey (DHS) data. All regional and country data in this section is sourced from UN Statistics Division (MDG Report 2009 and country database) unless otherwise indicated.

<sup>4</sup> FAO (2009) State of Food Insecurity, 2009, Rome

<sup>5</sup> Six African countries are on track: Ethiopia, Ghana, Mozambique, Senegal, Tanzania, Zambia

<sup>6</sup> Ghana – DHS 2008, Zambia – DHS 2007

African countries have made striking progress and 13 are currently on track to meet the goal<sup>7</sup>. The policy of free primary education has been particularly successful: in Tanzania it increased attendance rates from 55 per cent in 1995 to over 95 per cent in 2009<sup>8</sup>. However, progress is slowing, and it is very uneven across countries. Two-thirds of the total decline in out of school children took place between 2002 and 2004.

### c. Child Mortality

Developing regions have seen reductions in child mortality over the past twenty years. Despite this progress, most regions are not on track to meet MDG 4, to reduce by two thirds, between 1990 and 2015, the under-five child mortality rate. Yet in some of the poorest countries, measles immunisation coverage is now over 90 per cent. Malawi has seen large reductions in child mortality from 209 deaths per 1,000 live births in 1990 to 111 in 2007.

### d. Maternal Mortality

Globally, maternal mortality decreased by less than one per cent per year between 1990 and 2005 (the latest year for which data is available). There has been inadequate progress in a number of regions, including South Asia. Yet, even within this region some countries have seen significant reduction in maternal mortality rates. National data shows maternal mortality reduction particularly in Nepal, Bangladesh and parts of India. In Bangladesh, a reported decline in the maternal mortality rate from 574 in 1990 to 322 in 2001 is likely to be linked to increased use of family planning, improved education for girls, fewer deaths from unsafe abortion and improvements in emergency obstetric care.

## 4. Hallmarks of success – action principles going forward

Notwithstanding the challenges, there are reasons to be optimistic. We have a significant amount of evidence accumulated on what works – giving us a clear sense of the policies, institutions and resources that are needed to make and accelerate progress. The examples of MDG successes above show what is possible even in the poorest countries. UNDP's recent report - Beyond the Midpoint<sup>9</sup> - has reviewed what influences MDG success and identified the bottlenecks and constraints that have hindered progress. There is little controversy that growth is essential for poverty reduction, but the report highlights other key factors at the country level: policy choices and programme coherence; governance and capacity deficits; fiscal space constraints and effective aid partnerships; and national ownership. **Ownership and leadership** are particularly important: how a country articulates its development priorities; translates the global MDG agenda into its own national context and framework; and leverages its opportunities in the global system is fundamental in charting and shaping MDG progress at the national level.

<sup>7</sup> Burundi, Ethiopia, Ghana, Kenya, Madagascar, Mozambique, Namibia, Sao Tome and Principe, Seychelles, Sierra Leone, Swaziland, Zambia, Zimbabwe

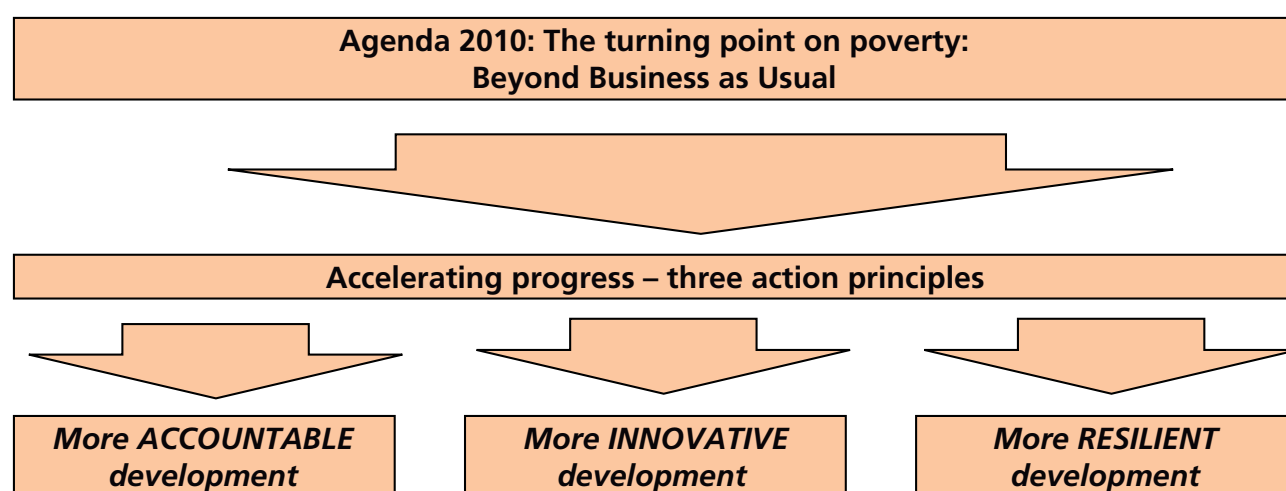
<sup>8</sup> Tanzania and SSA: UNESCO Education For All, Global Monitoring Report 2010

<sup>9</sup> UNDP (2010) Beyond the Midpoint – Achieving the MDGs, New York

Another key lesson is that **overcoming gender inequality** is central to delivering the MDGs. We know what needs to be done. The advancement of girls and women and greater gender equality in every country has been achieved through four broad actions: education for girls at primary and lower secondary levels; providing equality in law and political representation locally, nationally and internationally; promoting women's economic empowerment and their control over income and resources; and giving women control over their reproductive and sexual health, and freedom from gender-based violence.

Of these actions the economic empowerment provided by the opportunity to engage in paid work has proved particularly important, releasing many women from their previous position of economic dependents within the family and turning them into economic actors. And as women have become economically active, they have been able to invest in the health and education of their children, reduce gender disparities within the family, pay greater attention to their own health and well being, and participate in the political life of the community.

The UNDP report makes it clear that much more needs to be done for MDG achievements to be realised by 2015. But if we are to accelerate progress we need to go beyond 'business as usual' and develop a new approach to delivery. Reviewing the evidence of what has worked, we are proposing three action principles going forward that should shape what happens between now and 2015. These are **accountability**, **innovation** and **resilience**.



#### **a. More accountable development**

Too often, commitments have been made and not delivered; initiatives have been designed without involving those who were intended to benefit; and, too little information has been made available about how resources have been used and allocated. International development agencies should be accountable for the promises and commitments they have made; governments in developing countries should be more accountable to their citizens for the use of national budgets. Development partnerships should be based on mutual accountability for the results they deliver. Examples of more accountable development that we can build on include:

- The International Aid Transparency Initiative (IATI) which aims to make all information on aid flows and activities publicly available and accessible, helping to ensure that aid is used in the most effective way.
- The Medicines Transparency Alliance (MeTA) – a partnership between governments, civil society and the private sector - aims to increase transparency and accountability and so tackle corruption and inefficiency in pharmaceutical markets in poor countries.
- The Government of India's Right to Information Act (2005) – giving all citizens the right to request information from a public authority and get a reply within 30 days.
- The use of community score cards - in the Gambia, these are used to evaluate the performance of health and education services, thereby raising awareness about entitlements and helping to drive up the quality of these services .

### **b. More innovative development**

We need to work in new ways, drawing on new partnerships with the private sector, foundations, philanthropists, civil society and faith groups. We need to apply new technologies and approaches to delivering the MDGs, and develop new technologies specifically for development purposes. Innovation can also mean empowering poor people to use their skills to solve local problems. Or it can be applied to define how we might start to work differently with emerging powers on issues such as trade and climate change. More innovative development includes innovative:

- technologies – for example using mobile phone technology to enable 'government to people' cash transfers and enable small producers to find out market prices of commodities;
- instruments, such as Advance Market Commitments (AMCs) to catalyse private sector investment in low carbon technologies; and
- partnerships, such as the Business Call to Action, which challenges businesses to implement initiatives that apply their core business principles in a transformative and scalable manner that will enhance growth and wealth creation.

### **c. More resilient development**

Since the Call to Action in 2008, the world has been shaken by economic turmoil, the food and fuel crisis, and increasingly, the impacts of climate change. Actions over the next five years and beyond need to focus on reducing vulnerability, managing shocks, building sustainability and investing in long term systemic improvements to the lives of poor people and the countries. The G20's recent goal of attaining more balanced global growth opens up the opportunity to reshape the development agenda, paying more attention to risk management strategies. More resilient development means:

- pursuing sound macroeconomic policies, such as low fiscal deficits, sustainable debt and accumulation of foreign exchange reserves to ensure that low-income economies can have the scope to respond to crises;

- planning for the impacts of climate change through strengthened Disaster Risk Reduction mechanisms and the mainstreaming of climate resilience policies in nationally-owned development plans;
- developing national systems for social protection that strengthen the coping mechanisms of the poorest and most vulnerable people; through a 'quiet revolution' over the last decade, such programmes are now reaching more than 750 million people in developing countries; and
- putting governance strategies at the heart of government and donor actions so that states can become capable, accountable and responsive to their citizens over the long run.

## 5. Priority areas: hunger and nutrition, maternal and child health, education

The DFID MDG conference is focusing on three inter-related pillars of poverty reduction: hunger and nutrition, maternal and child health, and education. Since the publication of the DFID White Paper in 2009, we have reviewed evidence on what works and reviewed our policies in these areas. We now have a good understanding of what works.

### a. Education

Learning for All sets out how we can accelerate progress on the education MDGs.

Well managed and governed schools need to be at the centre of building better education systems. Programmes that transfer funds directly to schools, alongside efforts to strengthen local transparency and **accountability** (school management committees, publication of school accounts) have a direct impact on the quality of learning. The capitation grants scheme in Ghana, for example, enables schools to purchase sufficient teaching and learning materials.

**Innovation** will need to be at the centre of efforts to improve skills development, and to close the gap between what employers want and what skill trainers provide by creating competition among both private and public skill providers. Smart subsidies and competitive mechanisms for awarding financial support to students can be used to create a 'skills market'. The Employment Fund in Nepal, which follows this approach, provided training to 13,000 vulnerable young people in 2009.

A commitment to quality basic education for all needs to be combined with a new determination to develop skills and expertise beyond basic education. Together, these educational foundation stones can build the economic and social **resilience** needed to face future challenges. Long term flexible financing helps to secure educational progress that is lasting and resilient in low income countries. It enables partner governments to align resources to their policy priorities and to support long-term recurrent costs, including teachers' salaries. In Rwanda, the combination of more predictable general and sector budget support helped the efficiency and effectiveness of all spending in the sector. As a result, primary enrolments rose from 74 per cent to 94 per cent between 2002 and 2008.



## b. Maternal and Child Health

For more than 25 years, safe motherhood and the advancement of child survival has been the subject of campaigns, policies and programmes with varying degrees of success. The Global Consensus for Maternal, Newborn and Child Health (MNCH), reached in September 2009, represents a coordinated and effective drive towards achieving MDGs 4 and 5. The Consensus prioritises leadership and **accountability**, recognising that while multiple commitments have been made in the past, there has been no effective mechanism for holding different actors to account. The Joint Effort to Fast Track Progress on MNCH will ensure performance is tracked and mechanisms are developed for national governments, UN agencies, bilateral, multilateral and private donors to be held to account.

Recent proven **innovations** in maternal, newborn and child health, such as the use of magnesium sulphate for eclampsia and 'kangaroo care' for newborn care, have been low-cost but high-impact. The challenge is now getting such interventions out to women and children at scale wherever and whenever they need them, through health systems. Innovations in operations, finance and markets will therefore continue to be important, building on the achievements of the High Level Taskforce on Innovative Financing for Health Systems.

Twenty years of disease-specific interventions have demonstrated that in order to achieve sustainable health outcomes for women and children, we need strong **resilient** health systems that deliver an integrated approach to achieving all the health-related MDGs 4, 5 and 6, underpinned by long term funding. The International Health Partnership and related initiatives (IHP+) is an important initiative that, guided by the principles of the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action, seeks to achieve better health results by mobilizing development assistance around a single country-led national health strategy.

## c. Hunger and Nutrition

The Neglected Crisis of Under-nutrition sets out how we will focus our effort where we can achieve the greatest immediate and long term impact on the hunger goal in MDG1 and halve the prevalence of underweight children under five years by 2015. Tackling the immediate and underlying causes of under-nutrition requires a multi-sector effort; ensuring the effectiveness of such an approach requires nutrition outcomes to be measured and monitored. Internationally, plans and programmes to tackle hunger and under-nutrition are increasingly focusing on **accountability** for results, such as the Comprehensive Africa Agriculture Development Programme (CAADP) - led by the New Partnership for Africa's Development (NEPAD) - which sets out African leaders' visions and commitments to increasing investment and productivity in agriculture to eliminate hunger and reduce poverty.

Experience shows that under-nutrition can only be effectively tackled through a 'whole of government' approach with leadership right from the top. That way the collective impact of efforts being made through agriculture, health, social protection, gender and water and sanitation can be realised. Through this **innovative** way of working, Brazil has managed to mobilise 19 government ministries in a collective effort to end hunger. It has succeeded in bringing down the prevalence of underweight among children under five years from 10 per cent in 1999 to 2.4 per cent in 2006.



Social protection plays an important role in tackling under-nutrition and hunger. Transfers and other mechanisms improve poor people's ability to secure adequate food and a balanced diet. They further help the poor to secure a decent income from their work. Social protection can enhance the **resilience** of individuals, families and communities to crop failures, seasonal shortages of food, food price hikes, catastrophic ill-health, the impact of climate change and other shocks.

## **6. Agenda 2010 – the Turning Point on Poverty**

The success or failure of the MDGs will have immense consequences, not only for the world's poor, but for communities and stakeholders across the world. It is essential that the UN Summit in September results in an internationally agreed Global Action Plan to deliver the MDGs by 2015. Specific recommendations for the Action Plan are found in the nine other issues papers that accompany this background document. Strong leadership across the globe will be needed to take forward the action principles, scale up efforts and make 2010 the turning point on poverty.

**DFID, the Department for International Development: leading the UK government's fight against world poverty.**

**Since its creation, DFID has helped more than 250 million people lift themselves from poverty and helped 40 million more children to go to primary school. But there is still much to do.**

**1.4 billion people still live on less than \$1.25 a day. Problems faced by poor countries affect all of us. Britain's fastest growing export markets are in poor countries. Weak government and social exclusion can cause conflict, threatening peace and security around the world. All countries of the world face dangerous climate change together.**

**DFID works with national and international partners to eliminate global poverty and its causes, as part of the UN Millennium Development Goals. DFID also responds to overseas emergencies.**

1 Palace Street  
London SW1E 5HE  
United Kingdom

and at:

Abercrombie House  
Eaglesham Road  
East Kilbride  
Glasgow G75 8EA  
United Kingdom

Tel: +44 (0) 20 7023 0000

Fax: +44 (0) 20 7023 0016

Website: [www.dfid.gov.uk](http://www.dfid.gov.uk)

E-mail: [enquiry@dfid.gov.uk](mailto:enquiry@dfid.gov.uk)

Public enquiry point: 0845 3004100

or +44 1355 84 3132 (if you are calling from abroad)

© Crown copyright 2010

Copyright in the typographical arrangement and design rests with the Crown. This publication (excluding the logo) may be reproduced free of charge in any format or medium provided that it is reproduced accurately and not used in a misleading context. The material must be acknowledged as Crown copyright with the title and source of the publication specified.

Published by the Department for International Development. Printed in the UK, 2010, on recycled paper containing 80 per cent recycled fibre and 20 per cent totally chlorine free virgin pulp.