

**United Nations General Assembly and ECOSOC thematic debate/forum**  
***The role of partnerships in the Post-2015 Development Agenda***  
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***Statement by Bhumika Muchhala, Third World Network (TWN)***

*Dear Excellencies, Chairperson, Ladies, Gentlemen and fellow Civil Society,*

The outcome of current discussions on the Post-2015 Development Agenda will shape the development policy discourse at the international level until 2030, and probably more deeply than the MDGs have since 2000, with important implications not only for the Global South (which has traditionally been at the center of “development” policies) but also for the Global North.

The role of multi-stakeholder partnerships in the implementation of the post-2015 development agenda has been consistently underscored by various reports and committees of the United Nations as a “catalyst for achieving an ambitious and transformative development agenda beyond 2015.” However, the other partnership, which is in the singular and is driven by states in the context of international development cooperation, is known as the Global Partnership for Development.

Substantive discussion on enhancing and implementing the still unmet commitments from Goal 8 in the Millennium Development Goals has not received equivalent attention. For example, the President of the General Assembly has focused this event on multi-stakeholder partnerships, not the global partnership for development.

The UN must ensure that multi-stakeholder partnerships in the post-2015 context will be held accountable to delivering development results that are equitable and rights-based, aligned to national and local needs, and do not constrain the right to development for developing countries. In this context, partnerships must also abide by, and ideally even facilitate, the means of implementation and the global partnership for development that are critical for a development paradigm that is not just sustainable, but also genuinely transformative.

Partnerships must not be endorsed at face value; key concerns and risks must first be addressed through open intergovernmental discussion, not behind closed doors. Official reports in the post-2015 and SDG process emphasize the role of governments in creating an enabling national environment for investment in sustainable development. However, this should not overshadow the role of development cooperation and the global partnership for development in creating an **enabling international environment for development**. The role of the state in development and the importance of national policy space should not be undermined by partnerships.

In congruence to current trends across both international and national development finance institutions, the Global Compact on post-2015 promotes “the leveraging of development assistance for private sector development,” as well as “development assistance that is designed to leverage corporate sustainability and business-led solutions.” It is important to

contextualize partnerships with the corporate sector within the **financialisation of official development aid (ODA) and the overall role of large corporations in development.**

Over the past decade, multilateral development banks have tripled their private sector portfolios, and since the 2007 global financial crisis, development finance institutions, particularly in Europe, have increased financial flows to the private sector by almost 200%. However, studies have found that in aid flows to the private sector from the European Investment Bank and the World Bank, almost half of the aid money spent went to support companies based in developed countries and in tax havens, while only 25% of companies supported were domiciled in least developed countries. Most of these financial resources do not reach small and medium enterprises (SMEs), where the bulk of hiring and production is done in many developing and low-income countries. Furthermore, using public resources to leverage private sector investment means that aid cannot be immediately used in national education and health budgets, where development needs are greatest.

Multi-stakeholder partnerships need to address **inherent power imbalances and conflicts of interests** between governments, business and civil society. Even within business, the interests of large corporations may not be the same as that of Small and Medium Enterprises (SMEs), and the interests of fossil fuel industries are not the same as that of renewable energy, for example. The lobbying power and vast financial resources of large corporations at the regional, national and local levels needs to be meaningfully addressed. Without substantively integrating these realities, the governance model of multi-stakeholder partnerships will continue to be depoliticized.

## **Ways forward**

There need to be clear criteria, applied *ex ante*, to determine whether a specific private sector actor is fit for a partnership in pursuit of the post-2015 goals. It is worth noting this is not only in the interest of equitable and sustainable development and human rights, but also in the interest of the UN. The UN as an institution might never recover from the reputational shock if chief private financiers it engages with are also chief violators of its most cherished principles.

Such criteria should examine, at the least:

1. Whether the private actor has an evidence-based history or current status of abusing human rights or the environment, including in their cross-border activities;
2. Whether the private actor has a proven track record (or the potential to) deliver on sustainable development, as articulated by the UN outcome by 2015;
3. Whether the private actor has previous involvement in acts of corruption with government officials;
4. Whether the private actor is fully transparent in its financial reporting and ensures that it is respecting existing tax responsibilities in all countries it operates, and not undermining sustainable development through tax avoidance; and,
5. Any conflicts of interest in order to eliminate potential private donors whose activities are antithetical or contradictory to the UN Charter, the Universal Declaration on Human Rights, and the SDG framework.

