



How do Poverty Reduction Strategies and the MDGs link?

The eight Millennium Development Goals (MDGs) were derived from the world summits and conferences in the 1990s and the Millennium Declaration, adopted by 189 nations in September 2000. They are globally accepted, but depend on country-level progress for their achievement.

The Millennium Declaration

The Declaration underpins the MDGs by stipulating important factors not mentioned in the MDGs. These include the need for good governance, and the involvement of the private sector and civil society. MDG 1 requires redistribution through social-protection systems. MDG 2 can be further achieved with a progressive system of family benefits. MDG 3 relates to **women's employment**. MDGs 4, 5 and 6 are not possible without widening affordable access to health care.

Employment is included in the Declaration as "decent and productive work", with a focus on young people who are considered as more vulnerable in the labour market than older people. In response to these specific indicators, the ILO is working for the inclusion of the concept of decent work in general. The ILO is urging others to recognize the importance of decent work for the achievement of all MDGs.

UN system support to the MDGs

The UNDP Administrator coordinates support, chairs the UN Development Group (UNDG) and leads the Millennium Campaign. The Millennium Strategy guides action to these Goals through a four-pronged approach:

- [MDG Reports](#) monitor progress at global, regional and country levels
- The [Millennium Project](#) identifies new solutions and ideas from across the natural and social sciences, drawing on the best intellectual firepower from the North and South
- The [Millennium Campaign](#) builds and sustains local support for achieving the MDGs, based on reports, research and other resources
- Coordinated country assistance from the entire UN system is needed behind the Goals. This means aligning projects and programmes.

Progress towards achieving the MDGs

The UN Country Team (UNCT) jointly provides support for regular MDG country reporting. Country reports assess progress towards the goals, and inform public debates about national indicators and targets. According to the 2004 Millennium Project report, nearly 60 countries are off track, the majority in sub-Saharan Africa. However, the Project argues that there is still time for every country to make progress towards the MDGs, but it will be important to establish them as a central objective in development. The Millennium Project, which is working on a strategy to reach the goals, will launch a key report on this in 2005.

MDGs and PRSs

Translating the MDGs into action requires national frameworks. Both the World Bank and the UN stress that integrating the MDGs into PRSs is key to ensuring that they become central to national policy processes. PRSs constitute the primary strategic and implementation vehicles to reach the MDGs. The PRS process can provide the mechanism for mobilizing national actors to achieve the MDGs; but partnerships, complementary effort, and regular frank consultation between national institutions and development partners involved in poverty reduction will be needed. The UNDP Administrator describes the link between the two frameworks as follows:

MDGs help set and frame the (global) development agenda ... They are an end – a shared framework that all governments and international agencies have signed up to and by which development progress can be measured – while PRSPs ... are the primary means to get there. ... [The MDGs are] both the front and back end of the PRSP: the Goals represent the overarching framework for the PRSP and the way to monitor whether they are performing as advertised: paying real attention to the needs of the poor and overall development priorities, not just economic targets.

Under the leadership of national governments, the IFIs, bilateral donors and the UN provide coordinated support to the nationally-led PRS process. However, UNDG suggests that more active appreciation of – and participation in – the PRS process is needed from all UN agencies. It stresses that at each national level the [UN Development Assistance Framework](#) (UNDAF)

UNDP: [Detailed information about the MDGs, targets and indicators](#)

UN Secretary General, 2003: [Why do the Millennium Goals matter?](#)

MDG 8 points to the need for more coordination between and within developing and developed countries

The General Assembly, 2000, [The Millennium Declaration](#)

The [United Nations Development Group \(UNDG\)](#) is an instrument to improve the effectiveness of the UN at country level by developing policies and procedures to bring agencies together. It is chaired by the UNDP on behalf of the Secretary-General. The UNDP Resident Representative is the resident coordinator of UN development activities in the field

The MDG Reports are simple and intended to inform public debate and political discussion. [Individual country reports are available online](#)

UN, 2004, [Background Note on Country-level Work in 2004](#)

[Joint World Bank/UN letter of May 2003 to UN Resident Coordinators and World Bank Country Directors](#)



Decent Work and the Millennium Development Goals

should clearly link to the national PRS paper. Consequently the Common Country Assessment (CCA), which underpins the UNDAF, should provide analytical input into the PRS paper. Similarly, the World Bank's Country Assistance Strategy (CAS) needs to be aligned with the PRS paper and UNDAF. This could reflect the Bank's declared commitment to align more fully with PRSs and MDGs.

The UNDP sums up the importance of integration and coherence as follows:

The PRSPs are a major breakthrough in development and we ... recognize and applaud them as such ... [Our] aim must always be to help ensure real alignment between MDGs and PRSPs ... we [have] unequivocally agreed that the UNDAF – is not an alternative to the PRSP. Rather it is an important but limited business instrument for ensuring the UN team's cohesion behind the overall national development strategy that will be increasingly expressed through the PRSP. And the fact that the World Bank is now an observer at the UNDG further underlines this new cooperation.

The ILO, as Chair of the UNDG's Working Group on PRS processes, underlined the importance of country ownership and the need to customize the MDGs to national circumstances and national medium-term goals and strategies. Integrating the MDGs fully into national priorities, policies and resource allocation decisions is of increasing importance. Most PRS papers finalized after mid-2001 refer to the MDGs; many use some of the MDG indicators as their national PRS indicators. For example, Cameroon's PRS indicators illustrate strong alignment with the MDGs.

However, so far few PRSs include all the MDG indicators as national PRS indicators. This is in part because PRSs have shorter time intervals for reporting than do MDGs. Secondly, most governments prioritize country-specific poverty issues, monitored and reported on through national poverty monitoring systems; whereas MDG reporting is most often coordinated by local UNDP offices. Coordinating and linking national poverty monitoring and MDG monitoring is fundamental to the achievement of PRS objectives and the MDGs.

Are the MDGs affordable?

MDG 8 includes a commitment by developed countries to increase Overseas Development Assistance (ODA) in support of MDGs. Despite increases from some donors, ODA has been lagging. There is clearly not yet enough international financial assistance to achieve the MDGs in many of the poorest countries. Jeffrey Sachs, Special Advisor to the UN Secretary-General on the MDGs, has pointed out that "all that is needed is will[ingness] and farsightedness from donors. ... The problem is just money" he stresses, "... to do what's needed, [rather than doing only what's possible with] what's available". The 2004 Millennium Project Report highlights the role of the multilateral system (IMF, World Bank, UN) in providing countries with high-quality technical assistance to develop the best possible implementation plans for reaching the MDGs.

The ILO contribution in relation to the MDGs

According to the ILO Director-General –

... the ILO and its constituents should participate actively in the various bodies working on the drive to achieve the MDGs by ensuring that our mandate is fully integrated into a coherent international framework and the voice of employers' and workers' organizations occupies its rightful place.

The ILO also contributes to the data analyses of the Inter-Agency Expert Group, whose annual reports feed into the Secretary-General's report to the UN General Assembly on the implementation of the Millennium Declaration. The ILO's specific reporting role focuses on –

- MDG 3 (target 4, indicator 11): the **share of women in wage employment and in the non-agricultural sector** (under the direction of Bureau of Statistics, Policy Integration Department of the ILO).
- MDG 8 (target 16, indicator 45): the **unemployment rate of 15 to 24 year olds** (under the direction of ILO EMP/TRENDS.) This work connects with the Youth Employment Network (YEN), a joint World Bank, UN, ILO initiative.

The ILO is also involved at the international level in –

- The **UN Experts Group**, which advises the Millennium Project and the 2005 publication on progress in reaching the MDGs (via the Policy Integration Department of the ILO).
- **Millennium Project Task Forces** that feed into this work, including Task Force 1 on halving poverty, which includes consideration of youth employment. Task Force 3 on gender equality

Mark Malloch Brown, UNDP Administrator, 2003, *Poverty Reduction, the Private Sector and the Millennium Development Goals: A New Framework for a New Future*

UNDG Report, 2003, *An assessment of the role and experiences of UN Agencies in Poverty Reduction Strategy Papers*, cites Mali as an example of good UN–BWI cooperation. Mali is among the ILO PRSP Pilot Countries.

UNDP Administrator, 2003, *The United Nations, the World Bank and the Millennium Development Goals: A New Framework for Partnership*.

Good practice: Aligning PRSs with MDGs

Cameroon's PRS indicators are aligned with the MDGs, having included several MDG indicators. The PRSP (pp. 31–33) shows how much progress has already been achieved and provides measures for what is still needed to reach the goals. See: [World Bank poverty files](#)

There is an urgent need for renewed commitment by political leaders to open trade and increase aid and debt relief, to give developing countries a fair chance to reduce extreme poverty within their borders. See more about Sachs' speech



Decent Work and the Millennium Development Goals

and Task Force 8 on slum upgrading, all of which have ILO officials as members. Officials are invited on the basis of their individual expertise.

The ILO's interests are not confined to the MDGs on which it specifically reports. The primary entry point relates to MDG 1, since **decent and productive employment** is the main route out of poverty. An interagency task force is being set up to incorporate decent and productive employment across MDG indicators by analysing their impact on employment.

The challenge for many ILO country offices will be the alignment of their initiatives on decent work with other common frameworks. Linkages between the ILO Decent Work Agenda and the MDGs are being developed. Understanding how different combinations of decent work relate to poverty is critical. Towards this, the ILO is developing a core set of Decent Work Indicators. It will be necessary to develop further the linkages between these, the MDGs and national PRSs.

Attaining the MDGs and the goal of decent work is likely to happen hand-in-hand. The Director-General's 2003 report to the International Labour Conference sums up the links as follows:

- **Rights:** without rights, the poor will not get out of poverty
- **Employment:** the principal route out of poverty is work
- **Protection:** poor people are unprotected people
- **Dialogue:** the way to solve problems peacefully; the ILO can offer those living in poverty its experience in dialogue and conflict resolution as a way of advancing their interests

Cost estimates suggest that meeting the MDGs by 2015 will require an additional USD 50–75 billion per year in development assistance

DG report to the ILC 2003: [Working out of Poverty](#)

[Yearly reports on the ILO MDG monitoring](#)

[More information about the work of YEN](#)

The Inter-agency Expert Group includes the UN Secretariat, different UN agencies, the BWIs, OECD and national experts from statistical offices and other agencies concerned with development data for the MDGs. It meets once a year to review the agreed indicators

ILO Governing Body, 2001: [Poverty Reduction and decent work in a globalizing world](#)

Anker, Richard, Igor Chernyshev, Philippe Egger, Farhad Mehran and Joseph Ritter, 2002: [Measuring Decent Work with Statistical Indicators, Paper No. 2](#)

[An Asian example of a regional ILO approach to the MDGs](#)

The text of this brief is taken from *Decent Work and Poverty Reduction Strategies: A reference manual for ILO staff and constituents*, available at http://www.ilo.org/public/english/bureau/integration/download/tools/6_3_107_prsrefmanual.pdf

[ILO paper submitted to the UNDG meeting of July 2002; ILO's work on the implementation of the MDGs](#)

Blue text and numbers in brackets [...] are linked to websites. See attached list of reference materials.

ILO, 4 route des Morillons, 1211 Geneva 22, Switzerland – <http://www.ilo.org>