

Brussels, 19 September 2008

## **Reform of global economic institutions, better Infrastructure, and more effective aid is key to meeting the UN Millennium Development Goals**

*An EU research paper on the UN Millennium Development Goals, which has been presented in Brussels today, argues that the Goals are threatened by the challenges of high food and oil prices and global economic slowdown. The paper suggests that greater efforts are needed for more effective aid, investments in infrastructure to sustain growth, and that social protection should be in each country's agenda. The research was conducted by an independent group of European researchers led by Prof. François Bourguignon, Director of the Paris School of Economics.*

Commissioner Louis Michel said: "The European Union is leading international efforts to achieve the MDGs. This latest research offers us valuable new insights into how best the international community can achieve these important goals including cutting poverty by half. It also supports European Commission policy calling for greater coherence in development assistance. I am convinced that this work will help us to make the difference and to take the European and international development agenda forward."

The group's head, Francois Bourguignon, emphasised: "Our research shows that the MDGs remain a valuable framework for development action to 2015. But progress needs to be accelerated and this requires stronger policy coherence at all levels. Progress towards the MDGs is shaped by three factors: the extent to which developing countries benefit from global economic growth; how far their own policies contribute to poverty reduction; and how well aid is delivered and used. We find cause for concern in all three areas."

The group of researches recommend action in six areas:

Donors need to deliver on all their pledges, including those related to trade, debt relief, the volume of aid and also the effectiveness of aid.

Investments in infrastructure are essential to stimulate and sustain growth. Such investments should not be at the expense of basic needs and rights.

Global economic institutions, including the Bretton Woods Institutions, need to be reformed. The reinvigoration of trade negotiations is part of this, including the Doha Round and the EU's Economic Partnership Agreements.

The poorest need to be protected from shocks, whether caused by high food and oil prices or the emerging consequences of climate change.

5. Developing countries with weak institutions, often embroiled in or emerging from conflict, need to be assisted with political, financial and sometimes military resources.

6. As the geographical distribution of poverty is changing, with China and others moving to middle income status, it is important to think about the MDGs beyond 2015.

#### Background

The Millennium Development Goals (MDGs) were developed out of the eight chapters of the UN Millennium Declaration, signed in 2000. The eight goals include the target to halve the proportion of people living on less than 1 US Dollar a day and get every child primary education by 2015.

The EU MDGs research paper on the internet

[http://ec.europa.eu/development/index\\_en.cfm](http://ec.europa.eu/development/index_en.cfm)

The UN Millennium Development Goals

<http://www.un.org/millenniumgoals/>

The UN MDG Report 2008

<http://www.un.org/millenniumgoals/pdf/The%20Millennium%20Development%20Goals%20Report%202008.pdf>

IP Aid Conference: Commission urges donors to make aid more effective to reach Millennium Development Goals

<http://europa.eu/rapid/pressReleasesAction.do?reference=IP/08/1284&format=HTML&aged=0&language=EN&guiLanguage=en>

IP Commission: EU must stand by its promises and deliver on development aid if we are to meet the Millennium Development Goals

<http://europa.eu/rapid/pressReleasesAction.do?reference=IP/08/548&format=HTML&aged=1&language=EN&guiLanguage=en>

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