

Regional Integration and the Post-2015 Framework: A South Asian Perspective

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1. Introduction

Commonly described as a 'roadmap for world development by 2015', the Millennium Development Goals (MDGs) are eight international development goals that were established following the 2000 United Nations (UN) Millennium Summit, where countries adopted the Millennium Declaration. Though the goals are SMART (specific, measurable, aligned, reachable, time-bound), there is much lacking in their design. For instance, some indicators miss complexities and the aspect of quality in development outcomes, while there is a dearth of country ownership overall. Notably, the MDG 8 established the so-called global partnership for development, which has denigrated into patronage distribution of financial resources by the rich countries' club and unilateral dependence by many developing countries. In early 2015, with the deadline for the achievement of the MDGs looming at the end of the year, there is uneven attainment of the targets under the goals across the developing world. Now concentrating on the consolidation of the post-2015 development framework, developed and developing countries are engaged in negotiations at the UN to establish a new set of goals, targets and indicators, which will have universal coverage and a deadline of 2030.

This paper focuses on how regional integration can improve prospects for successful implementation of the post-2015 framework in South Asia. Following an overview of progress on the MDGs to highlight areas of weakness for South Asian countries and a comparison of the proposed Sustainable Development Goals (SDGs) and South Asian Association for Regional Cooperation (SAARC) Development Goals to identify the gaps that South Asia may experience, the paper discusses regional means of implementation that may catalyse progress on implementation of the post-2015 framework and generate sustainable development outcomes. The overarching objective of the paper is to inspire new

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ideas on regional integration during the inter-governmental negotiations on the post-2015 development framework and the succeeding implementation period.

Rest part of the paper is organised as follows. Section 2 of the article discusses the present scenario of Post 2015 process for regional integration in South Asia. Section 3 and Section 4 explores the South Asian development goals and its post-2015 framework building process. Section 5 draws a comparative analysis of sustainable development goals and SAARC initiatives. Conclusions are drawn in the final section.

2. Current Status of the Post-2015 Process

The ongoing inter-governmental negotiations on the post-2015 framework, which were launched in January 2015, have roots in two key processes. The first began with the 2010 MDG Summit (UN, 2010) that requested the UN Secretary-General to initiate thinking on the global development agenda beyond 2015, which has come to be known as the post-2015 agenda. In May 2013, the High-Level Panel of Eminent Persons on the Post-2015 Development Agenda (HLP), appointed by the UN Secretary-General, published its outcome document that includes a discussion about major transformative shifts (see HLP, 2013). The second process began with the 2012 UN Conference on Sustainable Development, widely known as Rio+20 (UN, 2012) that initiated the development of the SDGs. Global consultations through various channels online and on the ground resulted in inputs from diverse sources, including developing countries and civil society, that led to the Open Working Group (OWG) on the SDGs releasing its final outcome document in July 2014 (see OWG, 2014). The UN Secretary-General issued a synthesis of these two proposals in December 2014 (see UN, 2014b). The third International Conference on Financing for Development being held in Addis Ababa (UN, 2015) in July 2015 will result in financial commitments regarding financial and other means of implementation for the new framework. A UN Summit of heads of states and governments will be held in New York in September 2015, when leaders are expected to adopt the consolidated post-2015 development framework. The Conference of the Parties to the UN Framework Convention on Climate Change in Paris in December 2015 will conclude with a new agreement on emissions reduction commitments and mitigation and adaptation strategies that replaces the Kyoto Protocol (UN, 1998) and complements the post-2015 framework.

The efforts of the countries of South Asia – a region that encompasses Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, and Sri Lanka – will be instrumental in the global push for attaining the goals and targets under the next development framework, given population numbers as well as persistent political and economic challenges that have the potential for spillover effects. With 1.67 billion people as of 2013, 1.25 billion of those being in India (World Bank, 2015), the region continues to see high population

growth that affects its ability to make progress on job creation and subsequently development goals and targets. Overall, South Asia has 42 per cent of the world's poor – more than any other regions – a young population and the lowest female participation rate in the labour force (World Bank, 2014). Persistent challenges include gender inequality, gender-based violence, and adequate standards of living, such as access to decent employment, quality education, health services, water and sanitation, nutrition and food security, and access to energy, while new development challenges include the deteriorating quality of growth, unplanned urbanization, the 'demographic dividend' as well as aging populations in some countries, inadequate connectivity, non-communicable diseases, renewable energy investment, vulnerability to natural disasters and other crises, and climate change (UNESCAP et al., 2014). Progress on the MDGs in the region to date has mostly been slow, as is demonstrated in the next section.

3. MDG Delivery in South Asia

The eight MDGs that were adopted globally in 2000 include:

- (i) Eradicate extreme poverty and hunger
- (ii) Achieve universal primary education
- (iii) Promote gender equality and empower women
- (iv) Reduce child mortality
- (v) Improve maternal health
- (vi) Combat HIV/AIDS, malaria and other diseases
- (vii) Ensure environmental sustainability
- (viii) Develop a global partnership for development

These goals have 18 targets and 48 associated indicators.¹ A status review of MDG indicators shows that progress on target attainment in South Asia is at best mixed.

Table 1 compiles South Asian countries' progress on 17 selected key indicators. If a country is on pace to achieve a target according to an indicator by the end of 2015, it is 'on track'. If it has already achieved the target according to that indicator, it is an 'early achiever'. But, if any country is progressing in such a way that it will be difficult or almost impossible to attain the target by the end of 2015 according to that indicator, the status of that country is 'slow'. Together South Asian countries are on track for three indicators and early achievers of four, but progress on most indicators – 10 out of the selected 17 – is slow. Targets under MDG 6 were not considered for the present study, given the contextual specificity of the goal on diseases; and there were insufficient data to assess MDG 8.

¹ For a full list of all goals, targets and indicators, see UNSD (2015).

Table 1: Status of South Asian Countries' MDG Attainment by Indicator

Indicator	Status	Progressive countries	Laggard countries
1.1 Proportion of population below \$1.25 (PPP) per day	On track	Bhutan, Maldives Nepal, Pakistan, Sri Lanka	Bangladesh, India
1.8 Prevalence of underweight children under-five years of age	Slow	Afghanistan, Bangladesh, Maldives, Sri Lanka	Bhutan, India, Nepal, Pakistan
2.1 Net enrolment ratio in primary education	On track	India, Bhutan	Maldives, Sri Lanka, Pakistan
2.2 Proportion of pupils starting grade 1 who reach last grade of primary	Slow	Sri Lanka	Pakistan, Nepal, Bhutan
2.3 Literacy rate of 15-24 year-olds, women and men	Slow	Bhutan, India, Maldives, Sri Lanka	Nepal, Pakistan
3.1a Ratio of girls to boys in primary education	Early achiever	Bhutan, India, Maldives, Sri Lanka, Nepal, Afghanistan	Pakistan
3.1b Ratio of girls to boys in secondary education	On track	Bangladesh, Bhutan, Maldives, Nepal, India	Afghanistan, Pakistan
3.1c Ratio of girls to boys in tertiary education	Slow	Nepal, Maldives	Pakistan, India, Bhutan, Afghanistan, Bangladesh
4.1 Under-five mortality rate	Slow	Bangladesh, Maldives, Bhutan, Nepal	Afghanistan, India, Pakistan, Sri Lanka
4.2 Infant mortality rate	Slow	Bangladesh, Maldives	Afghanistan, Bhutan, India, Nepal, Pakistan

Indicator	Status	Progressive countries	Laggard countries
5.1 Maternal mortality ratio	Slow	Bhutan, Bangladesh, Maldives, Nepal	Afghanistan, India, Pakistan, Sri Lanka
5.2 Proportion of births attended by skilled health personnel	Slow	Sri Lanka, Bhutan	Afghanistan, Bangladesh, India, Maldives, Nepal, Pakistan
5.5 Antenatal care coverage (at least one visit and at least four visits)	Slow	Sri Lanka, Maldives, Bhutan	Afghanistan, Bangladesh, India, Nepal, Pakistan
7.1 Proportion of land area covered by forest	Early achiever	Bhutan, India, Maldives, Afghanistan	Sri Lanka, Pakistan, Bangladesh, Nepal
7.2 CO ₂ emissions, total, per capita and per \$1 GDP (PPP)	Early achiever	Bhutan, India, Pakistan, Nepal, Sri Lanka	Afghanistan, Bangladesh, Maldives
7.8 Proportion of population using an improved drinking water source	Early achiever	Afghanistan, Nepal, India, Bhutan, Maldives, Sri Lanka	Bangladesh, Pakistan
7.9 Proportion of population using an improved sanitation facility	Slow	Maldives, Sri Lanka	Afghanistan, Bangladesh, Bhutan, India, Nepal, Pakistan

Source: UNESCAP et al. (2013).

South Asian countries are on track regarding the indicator 1.1 Proportion of population below \$1.25 (at purchasing power parity [PPP]) per day. Bhutan, Maldives, Nepal, Pakistan and Sri Lanka are the progressive countries for this indicator, while Bangladesh and India are laggards. South Asia is also generally on track regarding indicators 2.1 Net enrolment ratio in primary education and 3.1b Ratio of girls to boys in secondary education, but progressive and laggard countries differ for each indicator. South Asia is an early achiever of the indicators 3.1a Ratio of girls to boys in primary education, 7.1 Proportion of land area covered by forest, 7.2 CO₂ emissions, and total, per capita and per \$1 gross domestic product (GDP) (PPP) and 7.8 Proportion of population using an improved drinking water source, though progressive and laggard countries are mixed. The region, with various countries being progressive and laggard, is slow for the indicators 1.8 Prevalence of underweight children under-five years of age, 2.2 Proportion of pupils starting grade 1 who reach last grade of primary, 2.3 Literacy rate of 15-24 year-olds, women and men, 3.1c Ratio of girls to boys in tertiary, 4.1 Under-five mortality rate, 4.2 Infant mortality rate, 5.1 Maternal mortality ratio, 5.2 Proportion of births attended by skilled health personnel, 5.5 Antenatal care coverage (at least one visit and at least four visits), and 7.9 Proportion of population using an improved sanitation facility. Overall, Bhutan, Maldives and Sri Lanka appear to be the most progressive countries. Pakistan seems to be the most laggard.

Still, such indicators can mask complexities, especially with the scale of problems being so large. Did the MDGs make a meaningful difference over time?² The results of an analysis comparing the periods before and after the introduction of the MDGs in 2000 are summarized in Table 2.

Individually, South Asian countries have either met or are making sufficient progress to reach the targets on halving extreme poverty, antenatal care, provision of improved sanitation facilities, and CO₂ emissions. Acceleration can help all eight countries meet the target on maternal mortality, but the remaining targets will be missed by several countries. Afghanistan and Pakistan are particularly lagging behind in terms of progress on selected targets and the MDGs overall. After adopting the MDGs, both countries have progressed on only five of the selected 21 indicators. India has progressed on 12 indicators, Nepal on 10, Bangladesh on nine and Sri Lanka on eight. A comparison of Table 1 and Table 2 confirms that South Asia's progress on the MDGs as a region is indeed slow.

² For a recent review of approaches to MDG progress and success, see Higgins (2013). The study also documents the 'power of global goals' as incentives for change and their strengths and limitations, which must be understood going forward.

Table 2: South Asian Countries' Performance on 21 Selected Indicators Before and After 2000

Country \ Indicator	Selected Indicators								
	\$1.25 per day poverty	Underweight children	Primary enrolment	Reaching last grade	Primary completion	Gender primary	Gender secondary	Gender tertiary	
Afghanistan						↑	↑		
Bangladesh	↑	↓					↓	↑	
Bhutan			↓	↑	±	↓	↓	↑	
India				↑	±	↑	↑	↓	
Maldives		↑	↓			↓	↑		
Nepal	↑	↑		↓	↑	↑	↓	↑	
Pakistan	↑						↓		
Sri Lanka	↑	↓			↓	↓	↓		

Country \ Indicator	Selected Indicators												
	Under-5 mortality	Infant mortality	Maternal mortality	Skilled birth attendance	Antenatal care (>=1 visit)	HIV prevalence	TB incidence	TB prevalence	Forest cover	Protected area	CO ₂ emissions	Safe drinking water	Basic sanitation
Afghanistan	↓	↓	↑				±	↑	±	±		↓	↑
Bangladesh	↑	↑	↓	↑	±	↑	±	↑	±	↓	↑	↑	↓
Bhutan	±	±	±	↑		↓	↑	↑	±	↓	↑	↑	↑
India	↑	↑	↑	↓	↑	↑	↑	↑	↑	↓	↑	↓	↓
Maldives	↑	↑	↓	↑		↑	±	↑	±	±	↑	±	↑
Nepal	±	±	±	↑	↑	↑	±	↓	↑	↓	↑	↓	↓
Pakistan	±	±	↑	↑	↑	↓	±	↑	±	±	↓	↓	↓
Sri Lanka	±	↑	↑	↑	↓	↑	±	↑	↑	↓	↑	↓	↓

Source: Author's compilation, from UNSD (2015).

Note: ↑ = Introduction of MDGs in 2000 improved the situation

↓ = Introduction of MDGs in 2000 deteriorated the situation

± = Situation remains unchanged after the introduction of MDGs in 2000

4. Building a Post-2015 Framework for South Asia

Consolidation of a post-2015 framework based on the MDGs must build on their social, economic, and environmental pillars by incentivising transformative changes. Bhattacharya et al. (2014) show that the social pillars predominate in the SDGs is proposed by the OWG. This section focuses on how economic transformation is needed in South Asia but also how taking a regional perspective obscures trends in the social dimension.

Transformative Dimension

The transformative dimension will be one of the most important features of the post-2015 framework, with incentives for economic transformation expected to undergird its social and environmental pillars. The transformative agenda to date has dealt with structural issues, such as productive capacities, value addition in different sectors, capacity building, which lead to sustainable employment and development outcomes. The overarching goal of economic transformation is sustainable production and consumption patterns, which play a major role in broad-based improvements in social, economic and environmental dimensions.

In South Asia, the deceleration of manufacturing sector growth is a problem going forward. Across South Asian countries, workers are moving from the agriculture sector to the low-value services sector, meaning that the low-value services sector is becoming prominent in the region's growth dynamics. As this sector increasingly represents a more prominent share of economic activity in the region and manufacturing sector growth decelerates, the economic growth achieved will not be sustainable, understood in terms of decent, productive jobs for fair pay as well as production and consumption patterns. Long-term sustainable economic growth requires value-added manufacturing growth as well as value-added industrial growth overall, which requires large-scale investment in infrastructure and capital goods. In historical cases of stages of economic growth, agriculture is followed by manufacturing and then services, a continuum that results in a distribution of decent jobs and opportunities for advancement. In South Asia, the low-value services sector has become more prominent given advancement from the agriculture sector, while the manufacturing sector continuously lags behind, as shown in Table 3, which suggests long-term sustainability of growth is unlikely.

Table 3 indicates that the share of value-added agriculture in GDP decreased from 2000 to 2010 and stagnated thereafter; whereas the share of value-added industry in GDP increased from 2000 to 2005, but decreased afterward. Similarly, the share of value-added manufacturing in GDP increased slightly from 2000 to 2005 and then started decreasing afterward. Share of value-added services in GDP experienced an overall increasing trend from 2000 to 2013. Thus, strong emphasis should be given to the transformative agenda, and particularly on

Table 3: GDP of South Asia by
Type of Value-Added Economic Activity

(In % of GDP)

Type of Economic activity	2000	2005	2010	2013
Agriculture, value added	23.55	19.23	18.94	18.90
Industry, value added	25.66	27.92	26.46	24.79
Manufacturing, value added	15.21	15.83	14.85	13.35
Services value added	50.79	52.85	54.59	56.31

Source: Author's compilation, from

<http://databank.worldbank.org/data/views/variableSelection/selectvariables.aspx?source=world-development-indicators> (accessed on 12 February, 2015).

manufacturing sector growth in the post-2015 framework so that it precipitates structural changes in the South Asian countries.

Further, economic growth in South Asia is not generating sufficient decent and productive employment, indicating a deterioration in the quality of growth and increased instances of vulnerable employment. Vulnerable employment has not decreased substantially in the last decade. Therefore, adequate attention should be given to the generation of sufficient decent, productive employment in the post-2015 framework to incentivise change. Table 4 compares vulnerable employment percentages across various regions of the world.

Table 4: Vulnerable Employment in World Regions
(Percentage of Total Employment)

Region	1991	2000	2013
World	55.0	52.5	47.6
Developing regions	68.2	63.7	56.3
Northern Africa	36.3	32.4	31.6
Sub-Saharan Africa	79.7	78.5	77.0
Latin America and the Caribbean	36.5	35.4	31.8
Eastern Asia	69.0	58.7	45.2
South Asia	80.0	79.8	75.0

Source: ILO (2014).

Table 4 demonstrates that South Asia is the most vulnerable region in terms of employment generation. During 1991, South Asia was the most vulnerable, following the Sub-Saharan Africa, a situation that persisted for a decade. In 2013, the most recent year that data were available, Sub-Saharan Africa became more vulnerable than South Asia, but not by much. Comparison of the gap between the world average and South Asia in 1991 and 2013 shows that the gap widened by 27.4 per cent, indicating that the situation has actually worsened.

Sub-Saharan Africa continues to experience food insecurity, high level of extreme poverty, stunningly high child and maternal mortality, and large numbers of people living in slums. Hence countries in the region will likely not attain most of the MDGs. Asia is the region with the fastest progress, though hundreds of millions of people remain in extreme poverty and even fast-growing countries are not on track to achieve some of the non-income goals. Other regions, notably Latin America as well as the Middle East and North Africa, have mixed records, often with slow or no progress on some goals and persistent inequalities undermining progress on others. Job creation, sustainable livelihoods and equitable growth will likely factor largely in the post-2015 framework, and act as incentives for entire regions.

Though South Asia includes a large proportion of the world’s population – 23.45 per cent – the population in the region has been increasing at a decreasing rate. Notably, South Asian countries do not contribute significantly to world production, trade and technological advancement, as evident in Table 5.

Table 5: Share of South Asia Region on Global Production, Trade and Technology (Percentage of World Population)

Indicator	2000	2005	2010	2013
Population (% of World population)	22.65	23.10	23.42	23.45
Manufacturing, value added (constant 2005 US\$) (% of world)	1.70	2.08	2.96	3.07 ^a
GDP (constant 2005 US\$) (% of world)	1.90	2.25	3.08	3.17
Exports of goods and services (constant 2005 US\$) (% of world)	0.99	1.54	2.14	2.25
Charges for the use of intellectual property, receipts (BoP, current US\$) (% of world)	-	0.16	0.06	0.13 ^a
Scientific and technical journal articles (% of world)	1.72	2.19	4.03	4.17 ^a

Source: Author’s compilation, from <http://databank.worldbank.org/data/views/variableSelection/selectvariables.aspx?source=world-development-indicators> (accessed on 16 February, 2015)

Regarding the transformational dimension of the post-2015 framework, South Asia is likely to benefit from the inclusion of a target or indicator on manufacturing growth as part of industrial growth. A vital challenge for South Asia is the provision of decent and productive employment with job security to decrease the incidence of vulnerable employment within the next decade. Hence, targets and indicators covering those subjects would also likely benefit the region. Notably, the region has a disproportionately low share in global production, trade and technology. Therefore, means of implementation are crucial.

Social Dimension

The social dimension is largely defined by inclusion, which refers to poverty, inequality, gender equality, voice and accountability, as well as political stability and absence of violence/terrorism, among other things. As mentioned, the social pillar predominates in the proposed SDGs. Taking a regional perspective actually obscures trends in the social dimension. So, country-level assessments remain vital in any regional implementation efforts.

Poverty

The overarching objective of the post-2015 framework is eradicating extreme poverty. Poverty has fallen over time but remains very high in South Asia. Although levels of poverty have fallen by 21.8 per cent over last two decades, about 399 million people (40 per cent of the global poor) in South Asia still live on less than \$1.25 a day. Table 6 presents regional figures on this poverty benchmark.

Table 6: Regional Estimates of Proportions of Populations Living Below \$1.25

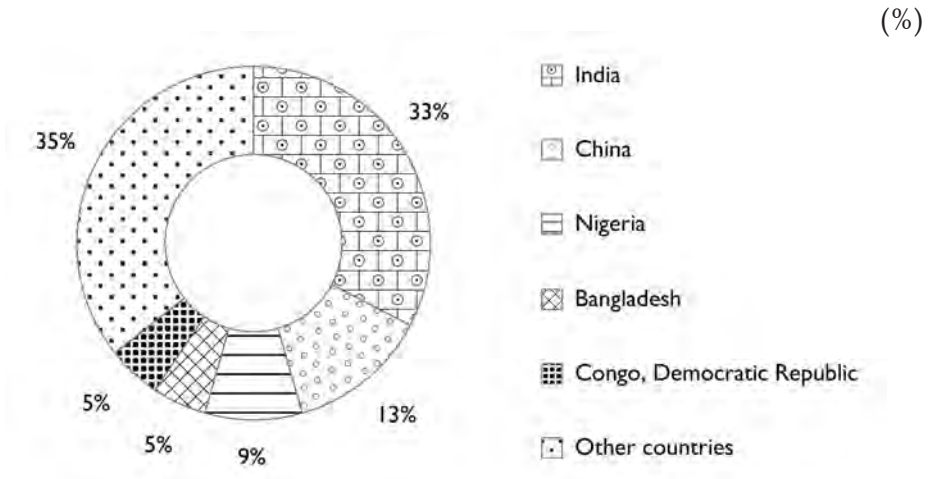
(%)

Region	1990	2005	2008	2015
East Asia and the Pacific	56.2	16.8	14.3	7.7
China	60.2	16.3	13.1	-
Europe and Central Asia	1.9	1.3	0.5	0.3
Latin America and the Caribbean	12.2	8.7	6.5	5.5
Middle East and North Africa	5.8	3.5	2.7	2.7
South Asia	53.8	39.4	36.0	23.9
Southern, East, West and Central Africa	56.5	52.3	47.5	41.2
Total	43.1	25.0	22.4	16.3

Source: UN (2013).

If the poverty benchmark is \$2 per day, the number rises to 580 million, revealing a high degree of vulnerability, which includes hunger. As shown in Figure 1, of the top five countries with the largest shares of the global extreme poor, two are populous South Asian countries – India and Bangladesh. Even though South Asia is likely to meet the target on halving extreme poverty, the proportion of people living in extreme poverty – especially in India – is quite high.

Figure 1: Top Five Countries with the Largest Shares of Global Extreme Poverty, 2010



Source: UN (2014c).

Income Inequality

Rising income inequality is another issue in South Asia, which is problematic since any economic growth has less distributional impact among populations. Since the 1990s, the population-weighted mean Gini coefficient³ for the region increased from 33.5 to 37.5 (UNESCAP et al. 2013). Though poverty is decreasing overall, income inequality is increasing in India, Bangladesh and Sri Lanka. In contrast, Bhutan, Nepal and Pakistan are witnessing a fall in income inequality as per the Gini coefficient. Broad-based growth and pro-poor growth have become part of many discussions on the post-2015 framework and will likely be included to incentivize reduction in income inequality to improve the quality of economic growth.

³ A lower Gini coefficient means more equality and a higher Gini coefficient means more inequality. No inequality-related data were available for Afghanistan.

Gender

As seen in Table 7, South Asia is at the bottom of the Gender Development Index, which means that gender inequality prevails in the region (UN, 2014a). Women in South Asia are less likely than men to own assets or participate in non-agricultural wage employment. Women also tend to be informal workers – a consequence of their limited skills and restricted mobility as well as existing gender norms. Figure 2 shows that the share of women in wage employment in the non-agricultural sector as a percentage of employees in South Asia is

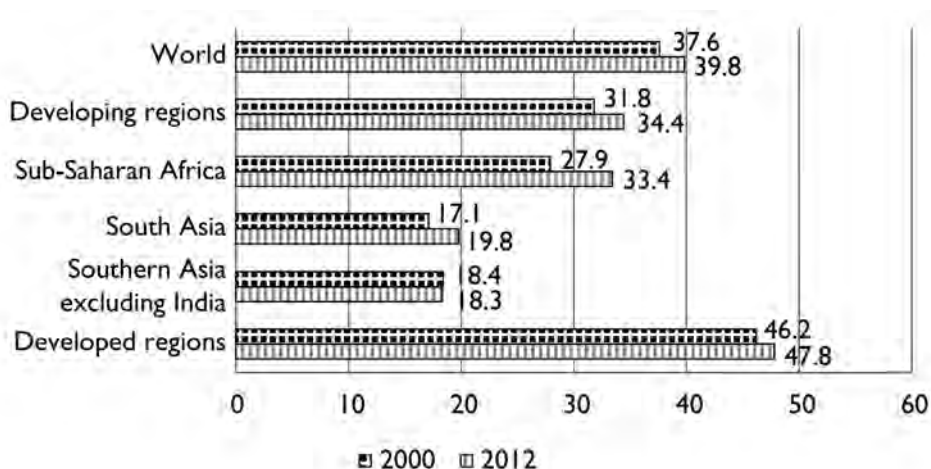
Table 7: Regions Categorised in the Gender Development Index

Region	Ratio of Women to Men in the 2013 (Human Development Index)
Arab States	0.866
East Asia and the Pacific	0.943
Europe and Central Asia	0.938
Latin America and the Caribbean	0.963
South Asia	0.830
Sub-Saharan Africa	0.867

Source: UN (2014a).

Note: Values on the Human Development Index range from 0 to 1, with higher values representing gender equality.

Figure 2: Share of Women in Wage Employment in the Non-Agricultural Sector (% of Employees)



Source: Author’s calculation, from UNSD (2015).

relatively small – 19.8 per cent in 2012 – and much lower than the average of developing regions, 34.4 per cent even though, conditions in South Asia have improved from 2000 to 2012. However, if India is excluded, conditions worsened over the same period, which indicates that India alone has made significant improvements in increasing the share of women in wage employment in the non-agricultural sector. Therefore, the empowerment of girls and women and achievement of gender equality should remain a priority in the post-2015 framework, as it was in the MDGs, to incentivize progress on empowerment.

Voice and Accountability

South Asia as a whole is understood to lack voice and accountability. Specifically, India is in the best position among South Asian countries, while Afghanistan is in the worst position. Table 8 breaks down voice and accountability in the region by country.

Table 8: Rankings on Voice and Accountability in South Asia

Country	Voice and Accountability			Trend
	2000 (est.)	2005 (est.)	2013 (est.)	
Afghanistan	-1.98	-1.18	-1.29	Increasing
Bangladesh	-0.31	-0.60	-0.42	Decreasing
Bhutan	-0.98	-1.03	-0.18	Increasing
India	0.26	0.39	0.41	Increasing
Maldives	-0.39	-0.99	-0.43	Decreasing
Nepal	-0.30	-1.19	-0.57	Decreasing
Pakistan	-1.32	-1.06	-0.83	Increasing
Sri Lanka	-0.27	-0.21	-0.62	Decreasing

Source: WGI (2014)

Note: Here estimate (est.) is estimate of governance [ranges from approximately -2.5 (weak) to 2.5 (strong) governance performance]

Political Stability

With regard to political stability and absence of violence/terrorism, three South Asian countries – India, Pakistan and Afghanistan – rank near the bottom (Table 9). Bhutan is in the best position among South Asian countries, while Afghanistan is in the worst position given the recent international war in the country, ranking 161st out of 162 countries, ahead of war-torn Syria. Regional rankings for South Asia are also provided in Table 9.

Table 9: South Asian Country Rankings in the Global Peace Index

Country	Overall Rank	Regional Rank	Country	Overall Rank	Regional Rank
Bhutan	16	1	India	143	5
Nepal	76	2	Pakistan	154	6
Bangladesh	98	3	Afghanistan	161	7
Sri Lanka	105	4			

Source: IEP (2014)

Regarding the social dimension of the post-2015 framework, South Asia needs targets and indicators that incentivize poverty, income inequality, gender equality, voice and accountability, as well as political stability and absence of violence/terrorism. Notably, populous India tends to distort regional figures on social inclusion issues. Poverty is decreasing overall, but income inequality is increasing in India, Bangladesh and Sri Lanka, effectively driving the regional increase in income inequality. It appears that India alone has made significant improvements in increasing the share of women in wage employment in the non-agricultural sector in the region, with conditions apparently worsening if India is excluded from the measurement. While India ranks highest on voice and accountability, it ranks relatively low on political stability and absence of violence/terrorism. Hence, there are some issues that a regional perspective helps clarify, while other issues are obscured. Country-level assessments are evidently still necessary within regional implementation efforts, the subject to which this paper now turns.

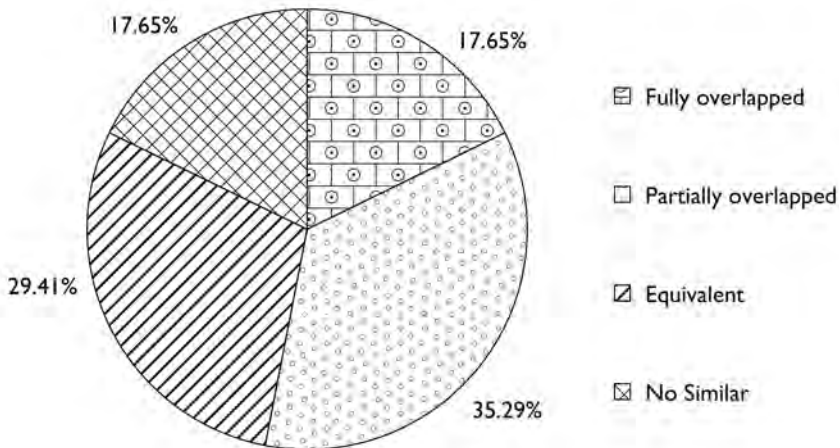
5. Comparing Sustainable Development Goals and SAARC Development Goals

Given the SDGs proposed by the OWG, observers expect that a consolidated post-2015 framework (along with the means of implementation) will contain effective incentives for the eradication of extreme poverty, empowerment of girls and women, achievement of gender equality, provision of quality education and lifelong learning, assurance of healthy lives, food security and good nutrition along with improved water and sanitation facility. Strong emphasis will likely be given to securing sustainable energy and creation of decent and productive jobs, sustainable livelihoods and equitable growth. Good governance and effective institutions will likely be major components along with stable peaceful societies. The post-2015 framework will also include means of implementation to guide the creation of a globally enabling environment for goal attainment and catalyze long-term finance for sustainable growth. With universal coverage and country-level plans and policies, the potential of adopting a regional perspective can be

lost in the mix. South Asia, the world’s least integrated region, could improve prospects for successful implementation of the post-2015 framework through accelerated regional integration. Incentives for regional integration could help in generating sustainable development outcomes if contextual factors and evidence-based policies that address political, economic and historical barriers are meaningfully considered.

Established in 1985, SAARC is an economic and political organization of the eight South Asian countries that is mandated to address development and regional integration issues. The 22 SAARC Development Goals for the years 2007–2012 are broadly clustered into following four areas: livelihood, health, education and environment. Their value comes from their regional focus that includes social, economic and environmental contextual factors.⁴ At the third SAARC Ministerial Meeting on Poverty Alleviation held in April 2013, the first set of SAARC Development Goals were extended from 2012 till 2015, which coincides with the deadline for the MDGs. SAARC may build on its work on the SAARC Development Goals by adopting the new post-2015 framework and customizing goals and targets for South Asian countries. To support implementation at the regional level, SAARC may use and better align its existing mechanisms with the post-2015 framework. As evident in Figure 3, the majority of the targets – 82.35 per cent – of SAARC Development Goals overlap with the proposed SDGs in some way, while the dissimilar

Figure 3: Comparison between SDGs and SAARC Development Goals



Source: OWG (2014) and SHRDC (2013).

⁴ For a review of achievements and gaps, see SHRDC (2013).

aspects – 17.65 per cent of goals are dissimilar – are worth noting for prospects of the post-2015 framework. Table 10 compares the proposed SDGs with the SAARC Development Goals.

Table 10: Comparing the Proposed SDGs and SAARC Development Goals

Sustainable Development Goals (SDGs)	SAARC Development Goals
Goal 1: End poverty in all its forms everywhere	Goal 2: Halve proportion of people in poverty by 2010
Goal 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture	Goal 1: Eradication of hunger poverty
Goal 3: Ensure healthy lives and promote well-being for all at all ages	
Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	Goal 13: Access to primary/communal school for all children, boys and girls Goal 14: Completion of primary education cycle Goal 15: Universal functional literacy Goal 16: Quality education at primary, secondary and vocational levels
Goal 5: Achieve gender equality and empower all women and girls	Goal 8: Ensure effective participation of poor and of women in anti-poverty policies and programs
Goal 6: Ensure availability and sustainable management of water and sanitation for all	Goal 18: Acceptable level of water and soil quality
Goal 7: Ensure access to affordable, reliable, sustainable and modern energy for all	
Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	
Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	Goal 7: Ensure access to affordable justice
Goal 10: Reduce inequality within and among countries	Goal 4: Ensure a robust pro-poor growth process

Sustainable Development Goals (SDGs)	SAARC Development Goals
Goal 11: Make cities and human settlements inclusive, safe, resilient and sustainable	Goal 22: Ban on dumping of hazardous waste, including radioactive waste
Goal 12: Ensure sustainable consumption and production patterns	
Goal 13: Take urgent action to combat climate change and its impacts	Goal 19: Acceptable level of air quality
Goal 14: Conserve and sustainably use the oceans, seas and marine resources for sustainable development	Goal 21: Wetland conservation
Goal 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	Goal 20: Conservation of biodiversity
Goal 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build elective, accountable and inclusive institutions at all levels	Goal 7: Ensure access to affordable justice
Goal 17: Strengthen the means of implementation and revitalize the global partnership for sustainable development	

Source: OWG (2014) and SHRDC (2013).

The SAARC Development Goals signal the existence of priorities and models in South Asia, suggesting what is possible and what is likely. Many SDGs have analogous SAARC goals, which suggests that South Asian countries are prepared to tackle those issues, but there are many proposed SDGs that have no analogue in the set of SAARC Development Goals, specifically SDG 3 to ensure healthy lives and promote well-being for all at all ages, SDG 7 to ensure access to affordable, reliable, sustainable and modern energy for all, SDG 8 to promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all, SDG 12 to ensure sustainable consumption and production patterns and SDG 17 to strengthen the means of implementation and revitalize the global partnership for sustainable development. Other goals, such as SAARC Development Goal 19 on air quality and SAARC Development Goal 21 wetland convention, do not go far enough given evidence supporting the SDGs on climate change and oceans and South

Asia’s vulnerability to climate change impacts and associated GDP costs (see Mahfuz & Suphachalasai, 2014). This suggests that South Asian countries have few – if any – models to follow for addressing these subject areas in the post-2015 period, and thus regional cooperation is required.

The OWG (2014) outlined the role of regional cooperation in implementation of the proposed SDGs, specifically in six proposed targets: SDG 1.b on sound policy frameworks at regional levels based on pro-poor and gender-sensitive development strategies, SDG 2.5 on maintaining genetic diversity of seed, plant and animals at the regional level, SDG 9.1 on developing quality, reliability, sustainability of regional infrastructure, SDG 11.a on strengthening regional development planning to support positive links between urban and rural areas, SDG 14.c on ensuring the full implementation of international law for sustainable use of oceans and their resources and SDG 17.6 on enhancing regional and international cooperation for science, technology and innovation. Here are incentives for regional integration with inherent strategies that should be capitalised upon to address gaps in expertise in addressing unfamiliar issues. A regional perspective covers issues SDG subject areas such as poverty, food security, infrastructure, inclusivity, oceans and marine resources, and science, technology and innovation, but there is no regional perspective on health, energy, economic growth and employment, sustainable production and consumption patterns, and global partnership. If the social pillars dominate the

Table 11: Regional Institutional Agreements for particular means of implementation

Means of Implementation	Regional Institutional Agreements
Trade	South Asian Free Trade Area (SAFTA) Market access initiatives undertaken on a bilateral basis SAARC Agreement on Trade in Services (SATIS) Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) Asia-Pacific Trade Agreement (APTA)
Investment	SAARC Development Fund (SDF) South Asian Clearing Union (SACU) Asian Infrastructure Investment Bank (AIIB) SAARC Payment Council (SPC)
Technology	Various bilateral and multilateral initiatives under SAARC and BIMSTEC
Capacity Building	Various bilateral and multilateral initiatives under SAARC and BIMSTEC

Source: Author’s compilation.

proposed SDGs when economic transformation is needed in South Asia, and there is no regional perspective in the proposed SDGs on such transformation, then South Asian countries tasked with planning and policy-making will likely see suboptimal outcomes, unless regional means of implementation are considered. Relevant regional institutional agreements are compiled in Table 11.

South Asia could improve prospects for implementation of the post-2015 framework through accelerated regional integration and issue linkage, which would create more cross-cutting themes for countries in the region. Integration will constitute a win-win situation for all countries in the region if they cooperate in the areas of trade, investment, technology and capacity building according to already-existing regional institutional agreements and initiatives.

6. Conclusion and the Way Forward

There is much potential catch-up that can be done in South Asia in terms of regional integration, with the European Union existing as a model for effective governance and implementation of initiatives. As the European Union's experience demonstrates, historical reconciliation is a critical element in developing the necessary political will for cooperation, and ultimately, integration. The fundamental basis for the success of the European Union is the historical reconciliation between France and Germany, achieved by years of sustained political efforts by leaders of both countries. In stark contrast, there have been no such efforts in South Asia. The historical conflict between India and Pakistan is a major obstacle for successful cooperation within SAARC. Implementation of the post-2015 framework requires strong institutions and mechanisms as well as domestic and international cooperation among stakeholders. Cooperation in the form of regional integration has great potential to strengthen institutions and mechanisms and subsequently improve prospects for implementation. Criteria below, which must be fulfilled in order to have successful regional integration, are absent in South Asia, and some of them are as follows: (i) goal-oriented cooperation, (ii) a shared situational perspective, (iii) continual meetings on several levels, (iv) an experienced overarching organization, (v) timeframe and continuity, (vi) showing other countries interest and humility, (vii) understanding other countries' roles and responsibilities, (viii) risk management, (ix) support from management, (x) commitment, political will and leadership, (xi) visionary politicians, and (xii) a consensus approach combined with solidarity and tolerance.

In its attempts to encourage development and integration, SAARC promotes economic policies that prioritize social welfare, collective self-reliance, and socio-cultural development among countries that are divided by political mistrust based on national identity and internal power consolidation, economic barriers such as high trading costs and low physical connectivity, and historical orientation unwelcoming of the foreign direct investment that

has been a driver of integration in other regions. To address political, economic and historical barriers, the aforementioned regional institutional agreements can be useful catalysts for improved regional integration and implementation of the post-2015 framework in light of adoption of the framework at the UN. SAARC has addressed several areas of cooperation, such as action against terrorism and illegal drugs, trade, rural development, agriculture, media, SAARC institutional mechanisms, environment, poverty alleviation, education, nuclear non-proliferation and empowerment of women, but has not been able to address major political disputes among members, such as between India and Pakistan, the water-sharing dispute between Bangladesh and India and the border dispute between Bangladesh and India. Many SAARC Development Goals advancing regional trade and commerce have not been attained because of ineffective implementation.

Notably, Bhattacharyay (2014) has suggested integrating South Asia and Southeast Asia through trade, investment, production and infrastructure connectivity cooperation to boost prosperity, peace and stability in the region. He argues that trade integration will enhance domestic demand through improved trade policy, hard and soft physical connectivity, and rules and regulations, while large benefits can be realized from large young and middle-class populations. Moreover, integration of South Asia and the Association of Southeast Asian Nations (ASEAN) could be a key building block for pan-Asian integration. The domestic risks for South Asia include political tension within the region, weak banking sectors, energy crises and weak business climate. External risks include: slower growth in the Europe, an important trading partner for South Asia; tensions in Ukraine or conflict in the Middle East that sharply raise global energy prices, since the region is a heavy energy importer; and governments offering generous fuel subsidies, which could widen current account and fiscal deficits and increase inflation. Regional integration could reduce dependence on other regions through diversification.

The post-2015 framework will follow the MDGs to gain traction at the national and regional levels, but more emphasis on the regional level in South Asia could improve prospects for implementation of the new framework. Given the aforementioned lags and gaps, South Asia should work on regional integration and development issues, since long-term sustainable development cannot occur if countries lag behind or continue to experience gaps, which affect the network effects inherent in the variety of cross-cutting themes. Many areas deserve further exploration, but there are four areas that require immediate attention. The focus of already-existing regional institutional agreements can be narrowed by looking at four major points identified in this paper:

A renewed regional approach to poverty elimination should be of high priority in South Asia to catalyse progress on implementation of the post-2015

framework. Strong attention should be given to the reduction of all forms of inequality and discrimination, given the persistent marginalization across the region.

A regional strategy that addresses the growth of productive capacity, decent jobs and sustainable incomes through integration would be welcome. More care should be given to creating decent, productive jobs with fair pay and job security, which enable sustainable economic growth. One driver to achieve broad-based economic prosperity worth exploring is inter-state pro-poor fiscal transfers, which require explicit rules and transparency and may need to be complemented by increases in capacity, transparency, and participation to improve accountability at the local level (Ghani et al., 2013).

A regional strategy to reduce adverse impacts of climate change, protect ecosystems and biodiversity is sorely needed and integration, especially through trade, provides many opportunities. Climate change is one of the biggest challenges for the world and South Asia is very vulnerable to its impacts (Ahmed and Suphachalasai, 2014). Therefore, effective regional initiatives with long-term scope should be taken to mitigate climate-related issues as early as possible.

Regional integration would go a long way in helping to build peaceful and inclusive societies with enhanced voice and accountability. Broad-based, pro-poor economic growth should have improved distributional impacts among all people, which would support these issues. Effective policies in the areas of food and nutrition, education (especially tertiary-level education), gender equality (especially for young girls), health regardless of colour or creed, environmental sustainability, sanitation facilities, technology transfer and improved market access would boost regional integration efforts.

Lessons for the post-2015 period can be learned from the implementation of the SAARC Development Goals, which have experienced some failure for four reasons. First, the lack of political commitment has slowed implementation efforts. The post-2015 framework would be achievable if it is implemented with full political commitment by South Asian countries and regional commitment overall. Second, the heterogeneity of South Asia has obstructed progress on implementation. Each South Asian country has faced unique challenges while pursuing the SAARC Development Goals, but regional integration would mitigate many of these issues, as has been seen in Europe. Third, there is a trust deficit related to geopolitics and historical conflicts. The trust deficit among South Asian countries, one of the major bottlenecks in implementation of the SAARC Development Goals, should not hold back efforts on the post-2015 framework. Strong relationship bonds could be fostered during the upcoming SAARC Council of Ministers meetings, which focus on progress and carrying forward decisions reached on areas of cooperation, and SAARC Summits, which engage in priority setting. The consolidation of the post-2015 framework may spur action and dynamism in this forum if trust is promoted. Finally, resource constraints are a constant concern. Allocated resources to support

the achievement of the post-2015 framework are expected to be relatively low. The supply of finance for the new framework should be substantially expanded through SAARC initiative going forward, along with transparency and accountability efforts amongst its members.

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