Post-2015 Agenda and Regional Cooperation in South Asia

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1. Introduction

All the countries across the world have adopted a new set of Sustainable Development Goals (SDGs) under the aegis of the United Nations. The Special Session of the UN General Assembly in September 2015 has endorsed the 2030 Agenda for Sustainable Development, which has been widely regarded as the Post-2015 Development Agenda. This Agenda comprise of the Sustainable Development Goals (SDGs), which is a set of 17 goals and 169 targets integrated and indivisible in the universal sense. The SDGs are slated to be built upon the Millennium Development Goals (MDGs), which were conceptualized in 2000 as a set of eight goals on diverse dimensions with most direct relevance to universal developmental outcomes. The SDGs are in sync with all the Rio Principles and take into account different national circumstances, capacities and priorities which are consistent with international law, built upon the commitments already made and contribute to the full implementation of the proposed outcomes.

In view of the above, this paper highlights the broad contour of the Post-2015 Agenda, discusses the development finances, and draws regional cooperation lessons for the South Asian countries.

2. Post-2015 Agenda: The Background

The Rio+20 Conference in 2012 had concluded with the agreement to take urgent action to achieve newly christened Sustainable Development Goals 2015 onwards. The Conference highlighted the importance and the utility of developing a set of sustainable development goals based on Agenda 21 (of the Rio 1992) and the Johannesburg Plan of Implementation, which followed the

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Rio 1992. The other important milestones are the Programme of Action for the Sustainable Development of Small Island Developing States (Barbados Programme of Action), the Programme of Action for the Least Developed Countries for the Decade 2011-2020 (Istanbul Programme of Action) and the Almaty Programme of Action: Addressing the Special Needs of Landlocked Developing Countries.

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The foundation for the post-2015 development agenda was laid by the outcome document of Rio+20 conference, which was based on international consensus at the highest level on the entire gamut of sustainable development issues. The time period allocated for MDGs were 15 years, which comes to an end in 2015. The MDGs encapsulates eight globally agreed goals in the areas of poverty alleviation, education, gender equality and empowerment of women, child and maternal health, environmental sustainability, reducing HIV/AIDS and communicable diseases, and building a global partnership for development. At the conceptual and operational level, SDGs may not merely be an extension of MDGs, but should focus on global systemic reforms to remove main impediments to development and secure an accommodating international environment for sustainable development.

In order to elaborate on the specific goals, targets and indicators, the SDGs adopted the Open Working Group (OWG) route, which was established on 22 January 2013 by the decision of the UN General Assembly. The OWG used a constituency-based system of representation, which means that most of the seats in the working group are shared by several countries. The Rio+20 outcome document "The Future We Want" states that "at the outset, the OWG will decide on its methods of work, including developing modalities to ensure the full involvement of relevant stakeholders and expertise from civil society, the scientific community and the United Nations system in its work, in order to provide a diversity of perspectives and experience".

OWG signifies an intergovernmental process in spirit and is considered to the most effective means to generate consensus. Several developing countries including India have deposed faith in this process and have suggested strict adherence to the outcomes evolved at the OWG. This is expected to minimise scope of discretion by developed country groups and ensure differentiated responsibilities as enshrined in the Rio principles. It was also expected that the intergovernmental process should reign supreme in matters of SDGs. The global partnership for shaping the development agenda recognises the relevance of other multilateral processes for economy, trade and environment on all universally accepted principles catering to the needs of development. The OWG in its thirteenth session, which was held from 14-18 July 2014, came up with a synthesis report which was submitted to UN General Assembly on 4 December 2014. Since then it has acted as the input for intergovernmental negotiations. This report concluded the 17 sustainable development goals and 169 targets in line with the outcome document of the Rio+20 Conference.

Some of the main impediments associated with MDGs were that they were not developed as an outcome of intergovernmental negotiations on a global development agenda and were allegedly bereft of integrated international and national dimensions. Also MDGs were principally envisaged as a donor-centric process focussed on poverty that left out large segment of the populations in developing countries (notably in the middle-income countries) where urge for development, inclusiveness and dignity of life is substantial. Moreover, the achievements under MDGs have been uneven due to the failure to deliver on global partnership with respect to finance and technology.

We have already highlighted that the SDGs have been arrived at through political consensus at the intergovernmental level. The current SDGs cover 17 goals and 169 targets. The idea has been to arrive at target specific universal indicators to quantify and implement the developmental agenda across the goals. Although countries have endorsed the 17 goals and the set of targets, consensus on the indicators that are being negotiated at a technocratic level is yet to be evolved. This is primarily because of apprehensions that universal indicators may be misleading and distanced from local contexts. This also shrinks the policy space of individual countries in terms of their own developmental targets and priorities. Autonomy in resource allocation, monitoring and policy making is being seriously debated. Countries have also sounded caution that indicators should not go beyond the goals.

3. MDGs, India and South Asia

The government has already released the current status of MDGs in India through the Annual Statistics Report 2014 (see Box 1 for details). It has reported

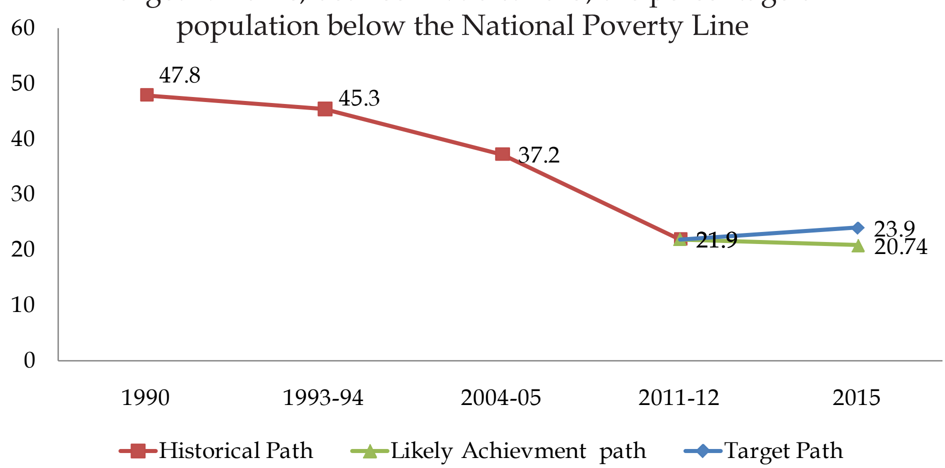
Box 1: MDGs and Targets –Summary of Progress achieved by India

MDG 1	ERADICATE EXTREME POVERTY AND HUNGER
TARGET 1	Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day *On-track*
TARGET 2	Halve, between 1990 and 2015, the proportion of people who suffer from hunger *Slow or almost off-track*
MDG 2	ACHIEVE UNIVERSAL PRIMARY EDUCATION
TARGET 3	Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling *On-track*
MDG 3	PROMOTE GENDER EQUALITY AND EMPOWER WOMEN
TARGET 4	Eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015 *On-track*
MDG 4	REDUCE CHILD MORTALITY
TARGET 5	Reduce by two-thirds, between 1990 and 2015, the Under-Five Morality Rate *Moderately on – track due to the sharp decline in recent years*
MDG 5	IMPROVE MATERNAL HEALTH
TARGET 6	Reduce by three quarters, between 1990 and 2015, the maternal mortality ratio *Slow or off-track*
MDG 6	COMBAT HIV/AIDS, MALARIA AND OTHER DISEASES
TARGET 7	Have halted by 2015 and begun to reverse the spread of HIV/ AIDS *On-track as trend reversal in HIV prevalence has been achieved*
TARGET 8	Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases *Moderately on-track as trend reversal has been achieved for Annual Parasite Incidence of Malaria and for prevalence of TB*
MDG7	ENSURE ENVIRONMENTAL SUSTAINABILITY
TARGET 9	Integrate the principle of sustainable development into country policies and programmes and reverse the loss of environmental resources *Moderately on-track*

that India's performance is a mix bag of experiences. We have made progress in certain areas but could not move much in the others. The asymmetry is also discernible at states level, where some have excelled and others have yet to achieve their commitments. While India has done exceedingly well in achieving some goals and targets such as eradicating extreme poverty and hunger, universal primary education, promoting equality and achieving global partnership targets related to maternal health, combating HIV/AIDS and other diseases and environmental sustainability have not achieved required progress.

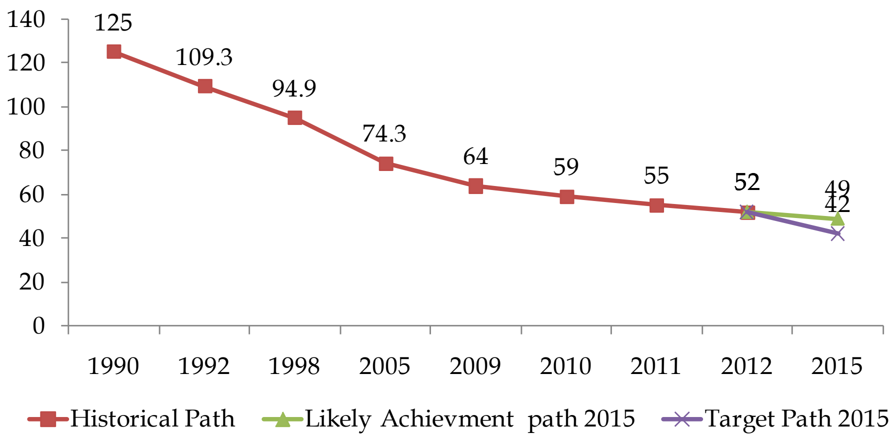
As far as the goal of eradicating extreme poverty is concerned, India has been on track in terms of the target of reducing the proportion of people with income less than a dollar a day between 1990 and 2015. According to the poverty estimates, Poverty Head Count Ratio (PCHR) has come down from 47.8 per cent in 1990 to 21.9 per cent in 2011-12 (Figure 1). However, India is going slow with the second target of reducing hunger. The goal of achieving universal education has been achieved with net enrolment ratio at primary level as high as 99.8 per cent. Gender parity has also been achieved in primary education and the disparity in secondary education is set to disappear. India has been successful with the goal of reducing child mortality with more than two-third reduction in the under five mortality ratio (Figure 2). However, maternal health has not improved substantially as maternal mortality ratio stands at 140 per 100,000, falling short by 31 points from the target. India has performed well on the goal of combating HIV/AIDS, malaria and other diseases as it was successful in achieving the target of reversing the HIV prevalence. However, it has moderately performed in reducing malaria and prevalence of TB.

Figure 1: Trends in Poverty Head Count Ratio
Goal 1: Eradicate Extreme Poverty and hunger
Target 1: Halve, between 1990 & 2015, the percentage of population below the National Poverty Line



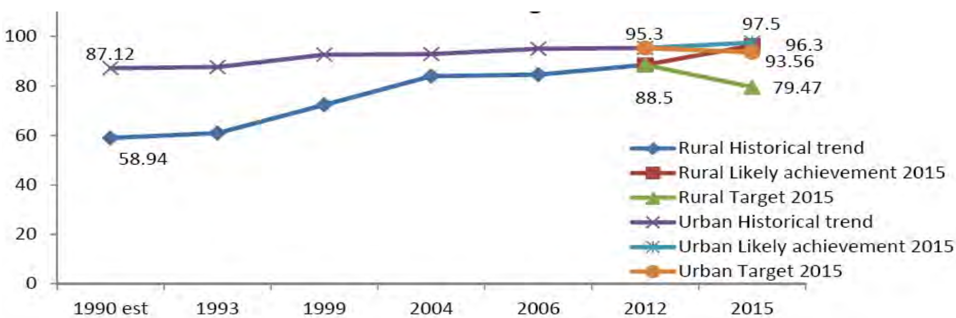
Source: Planning Commission

Figure 2: Trends in Under Five Mortality Rate
Goal 4: Reduce Child Mortality
Target 5: Reduce by two-thirds, between 1990 and 2015,
the Under-Five Mortality Ratio



Source: Office of Registrar General of India.

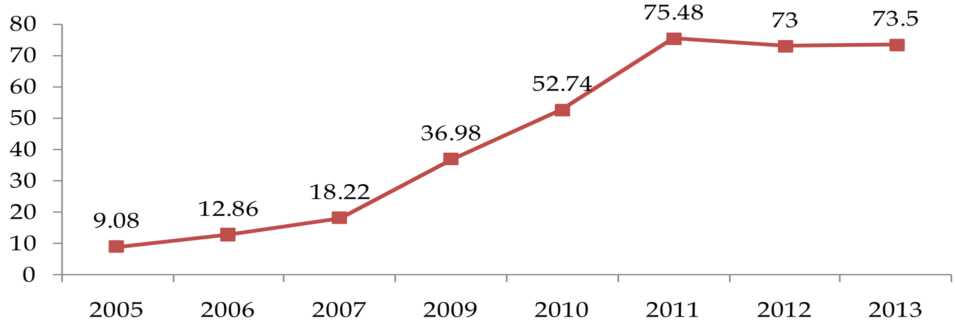
Figure 3: Trends in Access to Improved Source of Drinking Water
Percentage of households with access to
improved source of drinking water



Sources: NFHS, DLHS, NSS.

Environment sustainability has been ensured through integrating the principle of sustainable development with related policies and programmes for reversing the loss of environmental resources. However, while the target of reducing population with no access to safe drinking water by half has been on track (Figure 3), additional efforts are needed to achieve access to basic sanitation. Finally, the goal of achieving global partnership for development

Figure 4: Trends in Tele Density
Goal 8: Develop Global Partnership for Development
Target 18: In co-operation with the private sector, make available the benefits of new technologies, especially information and communication.



Source: Telecom Regulatory Authority of India (TRAI)

has been consistent with the targets. There has been a significant improvement in the availability of benefits if new technologies, specifically information and communication technology is leveraged for longer gains. This is evident as the number of internet subscribers stand at 198 million and the overall tele-density of India stands at 73.5 per cent in 2013 (Figure 4).

In South Asia, poverty rates fell from 51 per cent in 1990 to 30 per cent in 2010. However, the World Bank projects that 40 per cent of the estimated 970 million people living on less than $1.25 a day will be in South Asia in 2015. Moreover, although the proportion of undernourished people in South Asia fell from 25.7 per cent in 1990-1992 to 16.8 per cent to in 2011-2013, this is insufficient to meet the MDG target by the end of 2015. According to the latest Asia-Pacific Regional MDGs Report 2014/15, published jointly by UNESCAP, ADB and UNDP, the 21 targets for which it is possible to assess progress, South Asia is expected to meet 11. Its main successes parallel those of the Asia-Pacific region as a whole: halving extreme poverty, ensuring universal enrolment, primary completion, and gender parity in primary schools, and halving the proportion of those without access to safe drinking water. The sub-region is distinctive, however, in three key domains: unlike the Asia-Pacific region overall, South Asia is not reducing the incidence of drop-outs and is not expected to achieve gender parity in secondary and tertiary education. Since the results for this sub-region are heavily swayed by the performance of India, it is also useful to consider the outcome if India is excluded. In this case, the achievement is higher on one and lower on four additional indicators. While the "reduced" sub-region is expected to achieve gender equality at the tertiary level, it is not expected to meet any of the primary education goals; nor has it managed to reverse the incidence of tuberculosis or deforestation.

4. Financing for Development

Trends in aid flows

According to OECD's sixth comprehensive DAC Survey on Donors' Forward Spending Plans, global country programmable aid (CPA) is expected to stagnate over 2014-16. Major increases in CPA are projected for middle income countries (MICs), primarily China, India, Indonesia, etc. in the form of bilateral and multilateral soft loans. Aid for trade flows amounted to US$ 41 billion in 2013. Private sector development and value chain promotion are increasingly prioritised and flows continue to increase to these areas (UNESCAP). Increasing support for multi-country programmes reflect their higher impact. However, lower infrastructure commitments in Africa have been a matter of concern even as commitments to LDCs have doubled since 2002-05. Survey reveals a significant reduction in programmed aid, amounting to nearly half a billion dollars. This primarily affects countries in sub-Saharan Africa, such as Burundi, Chad, Madagascar, Malawi and Niger.

The decline in Official Development Assistance (ODA) in relative terms (as percentage of combined gross national income (GNI) of the Development Assistance Committee (DAC) member states) since 2011 has been a matter of grave concern. In 2011, members of the DAC of the OECD provided US$ 133.5 billion of net ODA, representing 0.31 per cent of their combined GNI. This was a 2.7 per cent drop in relative terms compared to 2010, the year it reached its peak. In 2012, DAC provided US$ 125.6 billion in ODA, representing 0.29 per cent of their combined GNI, again a 4 per cent drop in relative terms, compared to 2011. In subsequent years 2013 and 2014, the relative ODA from DAC remained lower than the 2011 levels. For a major emerging economy like India, ODA from DAC members stands at 0.09 per cent of its GNI. India, thus, needs to mobilise resources through means other than ODA.

While this trend has been accentuated by the global economic and financial crisis, development in the South is critically linked with expansion of domestic capabilities including production capacities that depends on the availability of finance. The failure on the part of the developed countries to meet their own commitments that they had set for themselves under ODA should certainly be a disappointment for them; it nevertheless translates into tragedy for all those who depend on ODA. It has been highlighted that financing for development (which includes ODA) is distinct and should not be mixed with other areas of financial support for developing countries like climate financing and humanitarian aid. Moreover, the states have to come up with the resources needed for development and the private sector cannot fill in the gap. The FfD3 stressed upon unlocking of domestic finances, but did not fully succeed in bringing in new resources on table.

According to the UN-promoted Sustainable Development Solutions Network (SDSN), low- and lower-middle-income countries may need to increase public and private expenditure by some US$ 1.3 trillion per year (U$ 342-355 billion for LICs and US$ 903-938 billion for LMICs) in order to reach the SDGs. This corresponds to 4 per cent of these countries' estimated GDP over the period measured in purchasing power parity (PPP) and 11 per cent of GDP in international dollars, or 0.7-1.1 per cent of world GDP. At the global level an incremental 1.3-2.0 per cent of world GDP may be required to finance the achievement of the SDGs in all countries. Domestic resource mobilisation in developing countries can increase significantly through international support to improve domestic capacity for tax and other revenue collection leaving a financing gap of US$ 133-161 billion per year or 0.23 percent of high-income countries' GDP.[1]

Challenges, post-2015 agenda and global institutional response

Availability of long term finance for development from a global perspective is a key issue. Long term finance for development is essential for rapid progress in achieving key developmental goals and targets universally. The conventional sources of finance supporting private interest driven economic activities is not expected to serve these ends. Raising capital or savings for investment in the social sector is particularly difficult unless mediated and therefore, developing countries and least developed countries are at serious disadvantage in this regard.

With paucity of funds for appropriate investments to enhance production capacities and capabilities that also include technology and human capital, economies of the South have failed to achieve their targets of industrialisation and development. Adequate capital and savings is important for expansion of productive capacities that is linked with expanding livelihood opportunities. This further leads to expansion of local markets and incentivises local production. Entrepreneurships in the small and medium industries segment may thrive with improvement in the economic opportunities of people in the developing countries. Developing countries still lack well developed financial markets and instruments to make private investments viable. Hence, domestic resource mobilisation emerges as a key challenge in developing countries, which necessarily impacts their development goals. Appropriate fiscal policies, therefore, become extremely important for facilitating revenue generation for financing capacity creation and development.

Developing countries continue to have very low tax to GDP ratios (avg. 12.5 per cent). This ratio further falls when oil related revenues are considered

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1 Refer, http://unsdsn.org/resources/publications/sdg-investment-needs/

separately. There is widespread black money in developing countries generated not only through money laundering but also through over-invoicing and under-invoicing rampant in business transactions. India has been at a disadvantageous position with respect to containing black money. However, there are more complex issues that seriously handicap the domestic resource mobilization capabilities of developing countries. These are profit shifting practices of multinationals and inability to tax capital gains.

Therefore, the threefold challenge to domestic resource mobilization in developing countries is:

i. Illicit financial flows (black money generated through money laundering, and adverse practices in financial transactions e.g. over/under invoicing)
ii. Transfer pricing practices of multinational businesses
iii. Inability to tax capital gains with cross border asset ownership

The original Rio (1992) Declaration led to the two important conferences on Financing for Development (FfD). The first International Conference on Financing for Development was held in Monterrey, Mexico in 2002 and the second one was the follow-up conference on FfD, held in Doha, Qatar in 2008. The third International Conference on Financing for Development (FfD3) in Addis Ababa, Ethiopia during 13-16 July 2015 was also significant prior to the adoption of the SDGs by the UN in September 2015. Financing of SDGs was, therefore, high on the agenda.

While under the FfD3 process proactive efforts have been made to address the issues of domestic resource mobilisation in poor countries and strengthen their domestic revenue generation capacities to check illicit flows, the global community has been oblivious of the vast amount of resources that are leaking out of the developing countries in the form of tax evasion under profit shifting practices. It has sometimes been elaborated as manifestation of 21st century colonialism when resources are sucked out of the developing countries in the absence of prudent international taxation norms. The amount of development assistance flowing into the global South is much less than the quantum of profit shifting from developing and poor countries. This necessitates that countries of the South must get a share of the resources generated within their jurisdiction.

India has been foremost in highlighting the scale of revenue loss in developing countries on account of profit shifting practices of multinationals (transfer pricing) and inability to adequately tax capital gains under existing global norms. These are over and above all forms of illicit financial flows that keep substantial revenues out of the reach of the developing countries. UNCTAD's simulation indicates that the amount of corporate profits shifted from developing economies is about US$ 450 billion – implying, at a weighted average effective tax rate across developing countries at 20 per cent, annual tax revenue losses of some US$ 90 billion (World Investment Report, 2015). Other relevant studies, focusing on the revenue losses for developing economies generated by corporate trade mispricing schemes, such as Christian Aid (2008) calculate such losses between US$ 120 billion and US$ 160 billion a year. Recovering some or all of these losses could significantly contribute to domestic resource mobilisation in developing countries.

The FfD3 deliberation was significant in terms of articulating the need for a new global institution of norm setting on tax. Negotiations on all prevailing international tax norms involve a few countries of the Paris Club/OECD. The financing for development (FfD) is a process that has been pursued under the UN framework outside Washington after the Asian Financial Crisis. This gives a platform that governance ideas may emerge out of the UN system and recommendations are provided for institutions like the IMF as well as on substantive norm setting for ODA. Hence, the FfD process is sufficiently empowered to initiate a blueprint for new international tax architecture.

The Group of 77 and China have repeatedly called for the upgrade of the Committee of Experts on International Cooperation in Tax Matters, transforming it from experts acting in their own capacity, to an inter-governmental subsidiary body of the Economic and Social Council (ECOSOC), with experts representing their respective governments. This would go a long way in not only strengthening international cooperation in tax matters, but it would allow all member States, including developing countries, to have an equal say on issues related to tax as well. Not only did India engage proactively and productively in the negotiations on the Post-2015 Development Agenda and framing of the Sustainable Development Goals since 2012, India made effective contributions towards the final outcome in Addis Ababa, before the adoption of the Addis Ababa Action Agenda. While the draft outcome of the FfD3 was largely sealed, India sought to make substantive changes under domestic resource mobilisation and international tax architecture.

The issue of increasing efforts to reduce illicit financial flows by 2030 and combating tax evasion through national regulations and international cooperation remained the cornerstone of the FfD3 negotiations. While the FfD3 agenda was promising in terms of international support for improving domestic revenue generation capabilities of poor countries, India with support from G77 and China proposed stronger international tax rules and advocated an intergovernmental tax body. This was proposed with the objective of creating an institution under the UN with larger participation of the developing world reflecting rising aspirations and capabilities of the South. The Addis Ababa Action Agenda calls for international cooperation to combat tax evasion and corruption to reduce opportunities for tax avoidance. This also includes steps towards inserting anti-abuse clauses in all tax treaties. On multinationals, it suggests “we will make sure that all companies, including multinationals, pay taxes to the Governments of countries where economic activity occurs and value is created, in accordance with national and international laws and policies”.

However, the agenda failed to endorse the demand of India and other Southern countries for a global tax body.

The modest achievement for India (however hailed as significant in diplomatic circles) has been to introduce new modalities in the constitution of the UN promoted international tax committee (Committee of Experts on International Cooperation in Tax Matters under the Economic and Social Council (ECOSOC) of the UN). The members of the committee shall henceforth be nominated by national governments and would have wider participation of developing countries. This deviates from the usual UN practice of nominations by the Secretary General. The frequency of meetings of this committee has been increased to two from one per year, a reflection of India's negotiating stance.

As a result of it, the 11th session of the UN Committee of Experts on International Cooperation in Tax Matters in October 2015 addressed a number of critical issues. Major takeaways for the developing countries from this session were aplenty. Firstly, an adoption of a new article on the taxation of fees for technical services has been included for the next UN Model Double Taxation Convention between Developed and Developing countries (UN Model). Also a new practical Manual for the Negotiation of Bilateral Tax Treaties between Developed and Developing Countries has been adopted. Secondly, in a major fillip to the countries dependent on commodity exports (minerals), a subcommittee on Extractive Industries Taxation Issues for Developing Countries presented its work on tax treaty issues and indirect sales of extractive interests. The subcommittee has been entrusted to produce practical guidelines for developing countries, including on the tax treatment of decommissioning, VAT and re-negotiation of contracts.

Thirdly, the subcommittee on Exchange of Information presented a draft "Code of Conduct" to provide guidance for countries to cooperate in combating international tax evasion through enhanced transparency and exchange of information. It garnered tremendous amount of interested and suggestions to improve the draft shall be incorporated by the October session of the Committee in 2016. Lastly, UN DESA's work in the area of capacity building, including the production of a "Handbook on Selected Issues in Protecting the Tax Base for Developing Countries" and the rich programme of training workshops and other activities with the participation of developing countries, in collaboration with international and regional organizations were appreciated by this Committee.

5. Global Goals and Regional Cooperation: Lessons for South Asia

In the last couple of years while world was trying to implement the MDGs, taking up measures for reducing poverty in developing countries in all its dimensions by addressing issues related to income generation, education, health, etc. it could not find any major success. The parallel trends emanating from the Earth Summit held in Rio de Janeiro in 1992 with its 20 year follow-up conference gave shape to the Sustainable Development Goals (SDGs). These two UN processes in a way converge with the world deciding to launch the post-2015 development agenda.

There is discernible unease about the large number of goals and targets. The governments are also puzzled how the transition from MDGs to SDGs should be ensured and in what way MDG and SDG may actively help in terms of ensuring most effective utilization of development resources. In a federal context, the role of states and commensurate commitments by the centre are also important issues. The idea of leveraging the strength of civil society and private sector through corporate social responsibility is of great significance. However, apart from some of these issues, the most prominent one is at the procedural level in terms of reconciliation between MDGs and SDGs. MDG Goal 8 required that at the outset we need to enlarge the policy space available to countries that are latecomers to development. Also priority needs shall be given for addressing asymmetries.

The proponents of SDGs comprehend poverty as one of the crucial issues to be addressed, while the MDG opponents' emphasize on poverty as the main focus. In this debate the issue of narrow focus on development and its imperatives as manifested in socially, economically and ecologically relevant issues come up for discussions. The G77, China, India and some of the other emerging counties have taken an active part in the negotiations around the Post-2015 Development Agenda and have vehemently highlighted the importance of finance and technology for successful delivery of a global development agenda. Global trading and investment systems have to be made fair to all the countries through regional cooperation in order to fulfil the Post 2015 Development Agenda. The issue of resource allocation, which was hitherto captured under MDG8 and was discussed at the recently held Financing for Development Conference in Ethiopia (2015), assumes significance. While some developing countries proposed for a global treaty on tax harmonization as one of the key solutions, others demand a major re-haul of budgetary allocations.

For obvious reasons, SDGs is unique for having accommodated much larger spectrum of views and concerns of the developing world and is mandated to be a universal agenda with obligations for both the developed and the developing countries. The process per force necessitates national ownership of this agenda towards its fulfilment in the next 15 years. While implementation of the SDGs rests with individual countries, the developing world must have access to adequate resources. Fulfilment of objectives under this agenda may be critically hinged on successful North-South Partnership and South-South Cooperation (SSC).

South-South Cooperation encourages partners to have a responsibility for self-development in a mutually beneficial relationship by strengthening

Box 2: SAARC Cooperation in the Area on Poverty Reduction

The SAARC process has come a long way in terms of forging partnerships at various levels to face up to the challenges of poverty reduction in South Asia and achieve holistic developmental targets. Recognising the imperative to address poverty related issues and to suggest strategies and measures to alleviate poverty in the region, the SAARC Leaders at their Sixth Summit (Colombo, 1991) established an Independent South Asian Commission on Poverty Alleviation (ISACPA). The Commission, while reporting to the Seventh Summit (Dhaka, 1993), provided a conceptual framework for poverty alleviation through social mobilisation and empowerment in South Asia. This agenda has henceforth been proactively pursued in the successive summit level meetings.

The issue of poverty reduction received renewed energy and thrust at the 2002 SAARC Summit. The Twelfth Summit (Islamabad, 2004) adopted the "Plan of Action on Poverty Alleviation". This plan of action touched upon all areas concerning economy, governance, institutions, policy and delivery as part of its holistic approach towards poverty reduction in South Asia. The SAARC declared the decade of 2006-2015 as the Decade on Poverty Alleviation. This was envisaged to promote sustained efforts, to: (a) deepen pro-poor orientation of growth process; (b) enhance investment in human capital; (c) increase investment in infrastructure; and (d) improve service delivery mechanism. Such efforts also lead to (a) result-based evaluation study of the outcomes of poverty alleviation programmes through independent agencies; (b) workshops for having consultations on measuring multi-dimensional poverty; and (c) country documents on success stories of local level initiatives towards poverty issues. At the Fourteenth Summit (New Delhi, 2007), the Leaders appreciated the Independent South Asian Commission on Poverty Alleviation (ISACPA) for its elaboration of the SAARC Development Goals (SDGs). They agreed that the national plans for poverty alleviation should appropriately mirror the regional consensus reached in the form of the SDGs and the Plan of Action on Poverty Alleviation.

Apart from poverty reduction, the SAARC promotes the social agenda in the region mainly through cooperation in the following areas: gender related issues, children and youth, health and population activities and the SAARC Social Charter. In addition there are a number of regional projects underway through SAARC Development Fund (SDF) and others to support social development in the region.

Source: Adapted from Information available on the official website of the SAARC Secretariat.

autonomous capacity for goal-setting, decision-making and national implementation. Regional cooperation in the South should be based on principles of SSC for greater impact. South Asia is a most important case in point. In the context of the SDGs cooperation in South Asia towards poverty reduction and social sector development may be highlighted. A short review of this effort under the SAARC process is presented in Box 2.

Regional groupings among southern countries can be effective in restructuring global institutions for simplification and harmonisation of rules for international public funds and capitalisation of exiting funds. Such a process might lead to institutional commitments from countries to finance global public goods. Strengthened regional cooperation can play an important role in mobilising financial resources for sustainable development. Regional cooperation could also come up with solutions that reduce fragmentation and complexity of international public finance by designing appropriate Southern institutions. SSC presupposes horizontal supportive flows with new institutions like BRICS Bank. The proposal for the SAARC Development Fund (SDF) can also be strengthened by incorporating emerging needs particularly in the backdrop of the Post-2015 Development Agenda. Among others, effective regional arrangements can provide financing for regional public goods, facilitate trade flows and attract investment into key sectors such as infrastructure. Regional cooperation also provides excellent opportunities for information exchange and peer learning in fiscal, financial and economic affairs. The future course of action for SAARC may be drawn along these lines.

6. Concluding Remarks

The Post-2015 Development Agenda is aimed to addressing the major causes of poverty and the global need for development for all of us. This Agenda aims to put our world on an inclusive and sustainable course, which would help us achieving higher growth, development, and prosperity. In this particular context, South-South Cooperation encourages countries to have a responsibility for self-development in a mutually beneficial relationship by strengthening autonomous capacity for goal-setting, decision-making and national implementation. Regional cooperation in the South would, therefore, be based on principles of SSC for greater and inclusive impacts. South Asia is a most important case in point, where Post-2015 Agenda, supported by SSC, would lead to achieve SDGs way ahead of the deadlines.

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