

Vulnerable Countries within the Post 2015 Agenda*

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It is now apparent that the Post 2015 Development Agenda will be designed universally and will incorporate two sets of objectives, namely the Millennium Development Goals (MDGs) and the Sustainable Development Goals (SDGs). It is clearly in this spirit that the report of the High Level Panel appointed by the UN Secretary-General was written. This dual orientation should however recognize the special and unique challenges of the world's most vulnerable countries. The Post 2015 Development Agenda must find its legitimacy and consistency by taking into account the needs of these countries.

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► Consistency between universalism and differentiation

Let us start from the principle of universalism in the objectives. Through universalism equity is to be promoted among world citizens: all the poor are under consideration. It is here to be reminded that justice means access to equal opportunities and that opportunities for citizens differ depending on the country in which they live, according to the probability of the country development. The probability of an individual not to be poor in the future is significantly lower in poor countries facing structural handicaps to growth (particularly structural vulnerability) than in other countries. The Least Developed Countries (LDCs) have precisely been defined as poor countries suffering from structural handicaps to growth. They are more likely than others to remain poor. Landlocked Developing Countries (LLDCs) and Small Island Developing States (SIDS) are also two major groups of countries facing major structural vulnerabilities.

An economic vulnerability index (EVI) was developed by the Committee for Development Policy (CDP) in order to identify least developed countries. It is an index of structural economic vulnerability, relying on indicators of "shocks" (natural and external) and of exposure to shocks, and evidences the high vulnerability of LDCs and SIDS. Estimated retrospectively over 30 years by FERDI, the evolution of the index shows a smaller decrease in vulnerability in the LDCs compared to that in other developing countries.

EVI is only one of the two structural handicap indicators used to identify LDCs, the other one being the Human Assets Index (HAI). The HAI index can be seen as reflecting an important factor determining the structural resilience of countries to shocks. Thus by combining the HAI and the EVI we may design a structural handi-

cap index (SHI), which underlines the structural vulnerability of the LDCs.

Their inherent handicaps explain why LDCs have fallen behind in achieving the MDGs compared to other developing countries. For instance, considering the target of halving the proportion of people living below the poverty line (MDG 1), the average rate of decline between 1990 and 2010 was 29 percent against 48 percent in other developing countries. It can also be shown that more economic growth is to be achieved in the LDCs than in other developing countries in order to reduce poverty by a given rate, then to reach the first MDG.

► Consistency between broadening objectives and the priority of vulnerable countries

The goals of sustainable development cannot be defined and pursued without taking into account corresponding vulnerabilities: vulnerability is a risk for sustainability. It is then normal that a universal sustainable development agenda seeks to address vulnerability on a variety of fronts (economic, social, environmental) and pay close attention to these particularly vulnerable countries, such as LDCs, SIDS and LLDCs. Economic vulnerability threatens the sustainability and inclusiveness of economic growth, as does the state or political fragility, which itself to a large extent results from structural economic vulnerability.

As it has been done for economic vulnerability through EVI, it is possible to assess the structural vulnerability to climate change through a specific index, depending not on current or future policies but rather on factors reflecting both the likely magnitude of the shocks (elevation of the sea level, desertification) and the increase in

recurrent shocks (in rainfall and temperature). According to the physical vulnerability to climate index (PVCCI), made by FERDI, LDCs and SIDS appear to be more vulnerable than other countries. In a nutshell, the enlargement of the agenda on sustainable development should put more emphasis on the specificity of the challenges facing vulnerable countries, especially LDCs.

► **Inter-temporal consistency between Post-2015 agenda and prior commitments**

What would be the credibility of the Post 2015 Development Agenda if commitments made by the international community toward vulnerable countries were forgotten? The statement of a new partnership would be immediately considered as suspect.

On May 2011, the Fourth UN Conference on the Least Developed Countries adopted the Istanbul Plan of Action (IPoA), including a large set of “priority action areas” in a “renewed and strengthened partnership for development”. Although some of its goals may not appear realistic (especially halving the number of LDCs which meet the criteria of graduation by 2020), this plan brings together a large number of actions which have to be taken by the LDCs and their partners in the next ten years.

In the same way, commitments will be made in the forthcoming Conferences on LLDCs and SIDS in 2014. It is important that the ongoing process on defining the future agenda includes their conclusions and recommendations. For now, targets of the “MDG 8” for LDCs, SIDS and LDCs remain valid, particularly regarding ODA to LDCs which would need to account for 0.15 to 0.2 percent of national income in developed countries.

► **Criteria are more important than categories**

Emphasizing the need to take into account the specificity of vulnerable countries within the Post 2015 Development Agenda should not be seen as a defense of “categories”: It is instead a defense of principles of effectiveness and equity: at the global level, equity involves dealing with the structural handicaps to the sustainable development of these countries.

Ongoing structural handicaps criteria can often be used to define international policies better than various categories the content of which can be debated and which can only be used to design “binary” measures. In this regard, significant progress has been made through the resolution of the General Assembly on the 3 December 2012 on the “Smooth transition for countries graduating from the list of the least developed countries”. The Paragraph 23 “invites development partners to consider least developed countries indicators, gross national income per capita, the human assets index and the economic vulnerability index as part of their criteria for allocating official development assistance”.

The application of such a principle would significantly improve the allocation of ODA. A similar principle could be applied to the allocation of resources dedicated to the adaptation to climate change, a change that poor countries are not responsible for. The physical vulnerability to climate change would then be considered as an allocation criterion.



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