

# The Millennium Development Goals Report



UNITED NATIONS

2007

EMBARGO Until 2 July 2007 12:01 a.m. local time

Press Release

## UN Report Points to Serious Shortfalls in Development Aid Millennium Goals in Jeopardy, Secretary-General Warns

**UNITED NATIONS, GENEVA, 2 July** – At the midpoint towards a 2015 deadline, developing countries and their partners have made some significant gains in implementing the Millennium Development Goals (MDGs), designed to free millions of people from extreme poverty. But their ultimate success will depend in large part on whether developed countries make good on their aid commitments, according to a progress report released today by the United Nations.

“The world wants no new promises,” UN Secretary-General Ban Ki-moon declares in a foreword to the report. “It is imperative that all stakeholders meet, in their entirety, the commitments already made” at three high-level conferences: the Millennium Summit in 2000, the 2002 Monterrey Conference on Financing for Development, and the 2005 World Summit.

The document, *the Millennium Development Goals Report 2007*, notes that only five donor countries have reached or exceeded the long-standing United Nations target of devoting 0.7 per cent of their gross national income (GNI) to development aid: Denmark, Luxembourg, the Netherlands, Norway and Sweden.

The report also points out that total official development assistance (ODA) fell 5.1 per cent in real terms between 2005 and 2006, the first decline since 1997.

This comes in spite of the fact that, as recently as their summit at Gleneagles in 2005, the leading industrial nations promised to double aid to Africa by 2010.

“The lack of any significant increase in official development assistance makes it impossible, even for well-governed countries, to meet the MDGs,” the Secretary-General writes. “As this report makes clear, adequate resources need to be made available to countries in a predictable way for them to be able to effectively plan the scaling up of their investments.”

The eighth and last of the Millennium Development Goals calls for the creation of a global partnership for development among developed and developing nations. This includes the specific target of addressing the needs of the Least Developed Countries (LDCs) as well as landlocked developing countries and small island States. Yet, the report points out, aid to the LDCs “has essentially stalled since 2003.”

When debt relief to Nigeria is subtracted, overall development aid to the countries of sub-Saharan Africa increased by only 2 per cent between 2005 and 2006.

The situation is made worse by the fact that in all regions, the report found, countries have failed to adequately address the growing problem – and wasted economic potential -- of unemployed youth, whose numbers have grown to 86 million in 2006 from 74 million in 1996.

In another area, efforts to meet the MDG target of developing “an open, rule-based, predictable, non-discriminatory trading and financial system” have also been disappointing, the report found.

Progress has been slower than expected at the series of trade negotiations agreed to at a 2001 meeting in Doha, aimed at improving developing countries’ trading prospects. But the report found that opening the markets of affluent countries does not necessarily benefit all developing countries, especially in the absence of adequate programmes for aid.

On a brighter note, the report notes that the burden of debt service among developing countries has lightened, thanks to two programmes launched by the developed countries: the Highly Indebted Poor Country Initiative and the Multilateral Debt Relief Initiative. Both have been pivotal in the anticipated 90 per cent reduction of the debt stocks of eligible developing countries.

The report also found that the benefits of new information and communications technologies – a vital tool in economic growth – are increasing rapidly in the developing world, especially in mobile telephone availability.

“Success in some countries,” the Secretary-General writes in the report’s foreword, “demonstrates that rapid and large-scale progress towards the MDGs is feasible if we combine strong government leadership, good policies and practical strategies for scaling up public investments in vital areas with adequate financial and technical support from the international community.”

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