

WORLD BANK GROUP GOALS

Ending poverty in a changing development landscape: the post MDGs framework

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**Cyril Muller, Vice President
External Affairs, The World Bank**

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World Bank Group Goals

End extreme poverty: *the percentage of people living with less than US\$ 1.25 a day to fall to 3 percent by 2030*

Promote shared prosperity: *foster income growth of the bottom 40 percent of the population in every country*

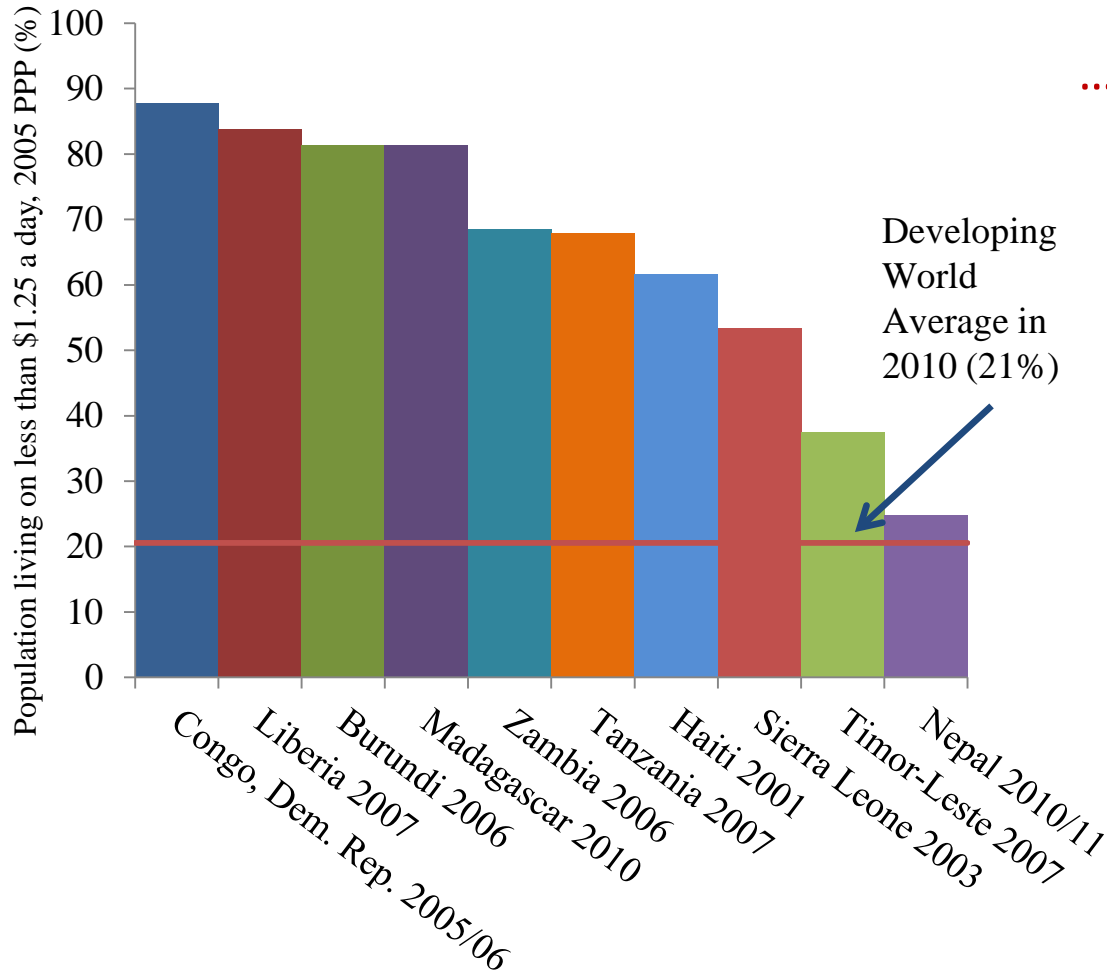
Sustainability, an overarching theme

Achieving these goals require promoting environmental, social, and fiscal sustainability: i) secure the long-term future of our planet and its resources; ii) aim for sustained social inclusion; and iii) limit the size of economic debt inherited by future generations

The poverty target of 3% by 2030

- **Is this target feasible given recent history? Yes**
 - In the last 30 years, poverty has fallen about **one percentage point per year**
 - In 1981, 50+% of developing world citizens lived on less than \$1.25 a day
 - In 2010, this rate dropped to 21%
 - Requires at least keeping the pace of average consumption growth since 1999 (4.3% per year) with no increase in inequality
 - evidence of poverty reduction programs across the world being more effective
 - Growth is creating jobs, especially in Asia and Latin America
- **Is reaching this target certain? No**
 - Global shocks and natural disasters are threats
 - At lower levels of poverty, further improvements mean addressing the deeper pockets of poverty
 - Progress in poverty reduction requires fundamental institutional and governance reforms, particularly in LICs and FCSs

Can we get to zero by 2030?



...Unlikely

Small proportion of population will remain vulnerable and move in and out of extreme poverty in many countries

To get to 0% globally, every country would have to reach zero

Several very poor and fragile and conflict-affected countries will not be able to reach 3 %

Poverty Rate (at US\$1.25) in Poorest Countries and Fragile and Conflict-Affected Countries

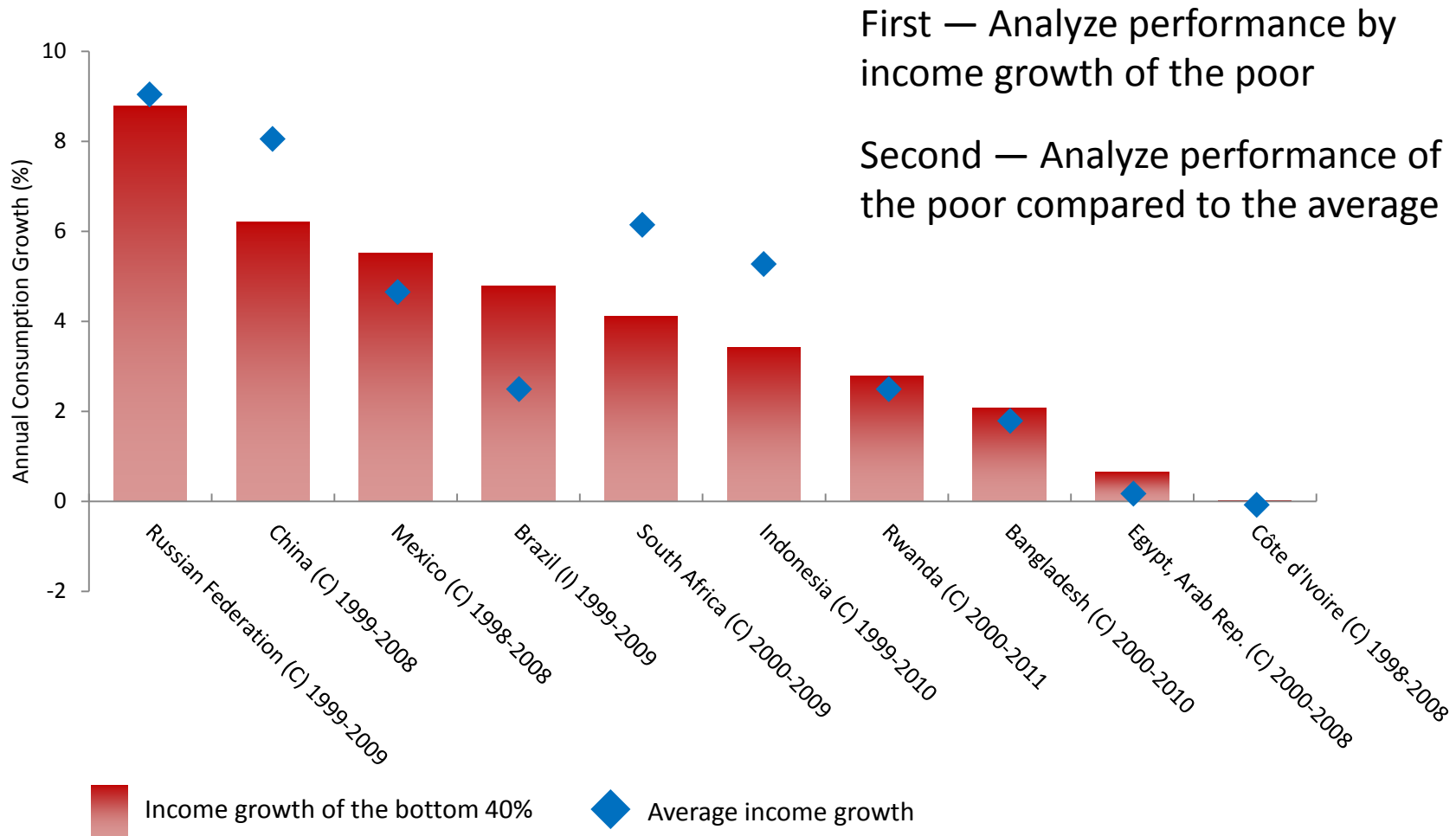
Building shared prosperity

Growth in real income of the less well-off segment of the population

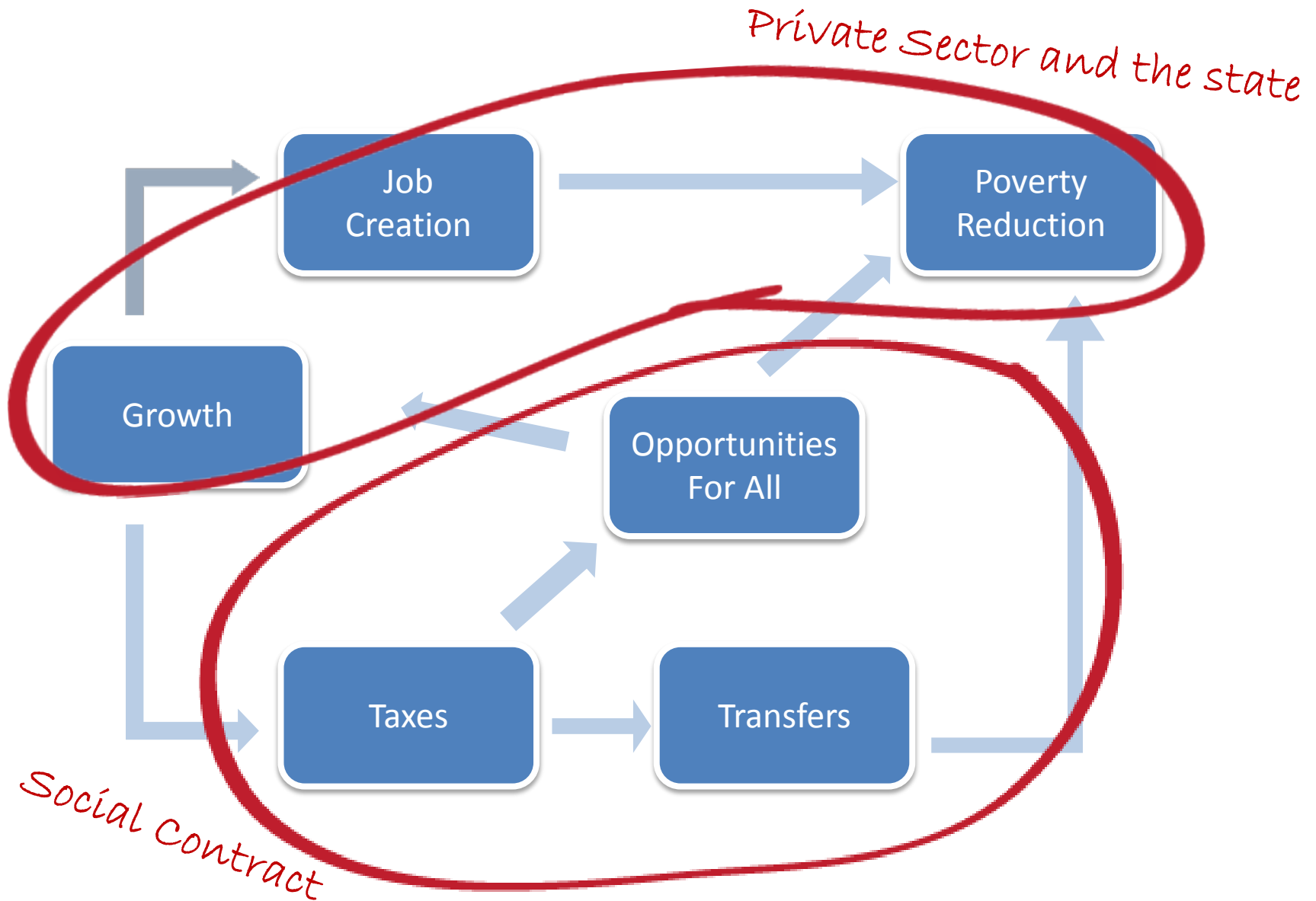
- Defined as the real income per capita of the bottom 40% of the population of every country
- A growing economy and a fundamental concern for equity
- Direct focus on the incomes of the poor
- Growth is necessary. But not any growth → sustained growth that makes the less well-off an integral part of that process
- Not about redistributing a fixed pie, but expanding the size of the pie continuously and sharing it

Income growth of the bottom 40%

(Annual household consumption rate, early 2000s - late 2000s)



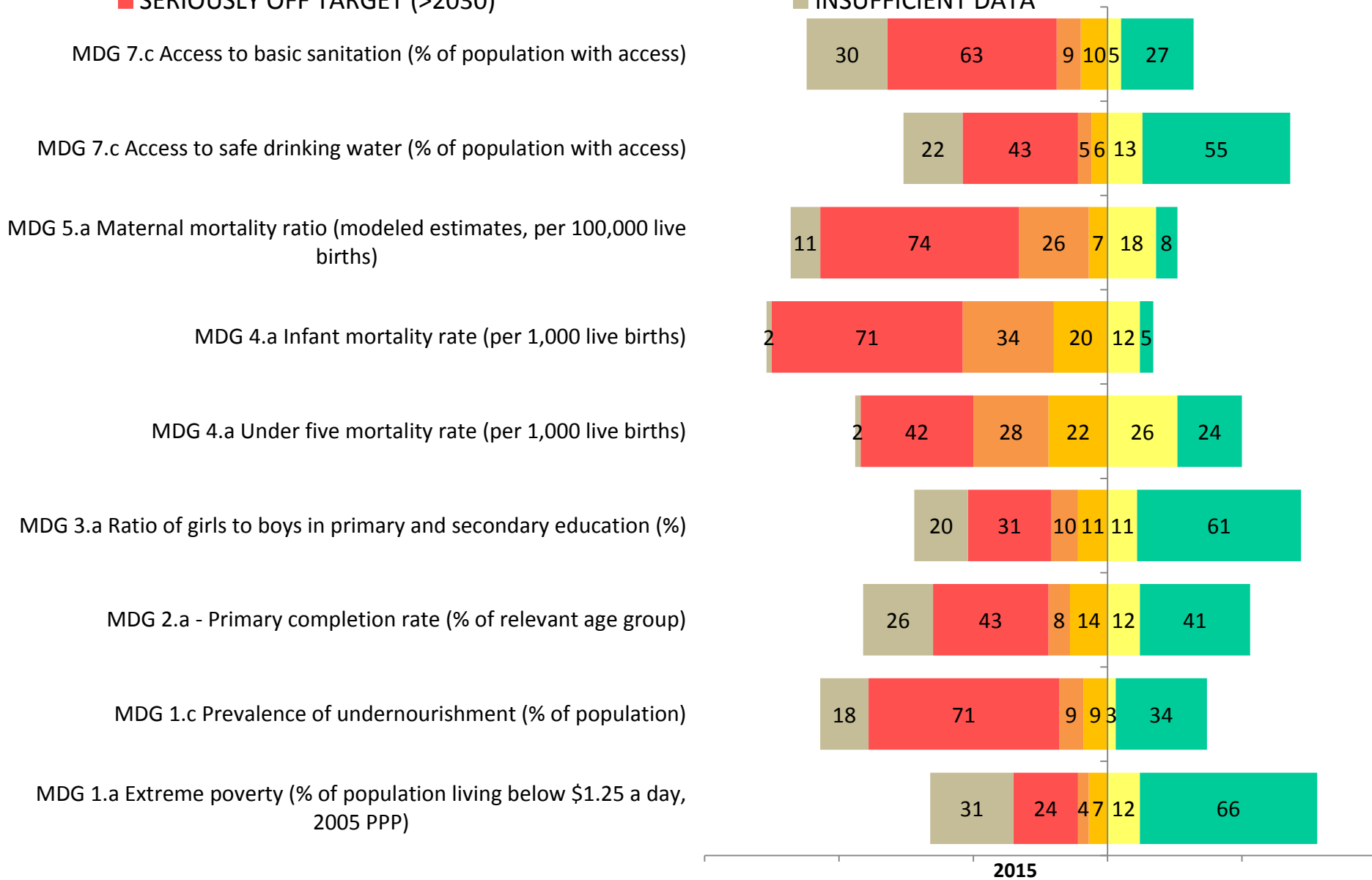
Pathways for shared prosperity



The changing development landscape:
Progress towards the MDGs
The post-2015 MDGs framework

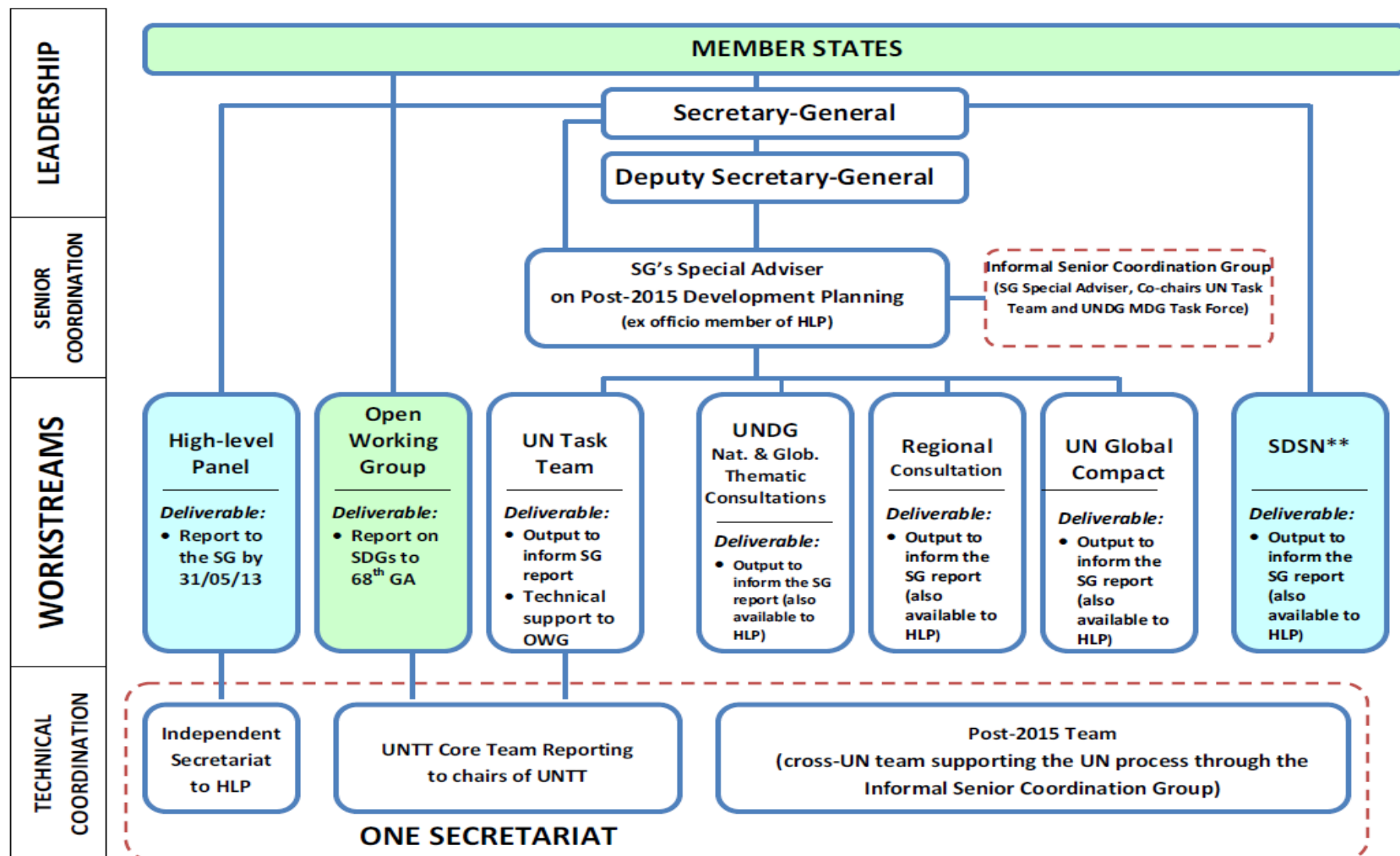
- SUFFICIENT PROGRES (<2015)
- INSUFFICIENT PROGRESS (2015-2020)
- SERIOUSLY OFF TARGET (>2030)

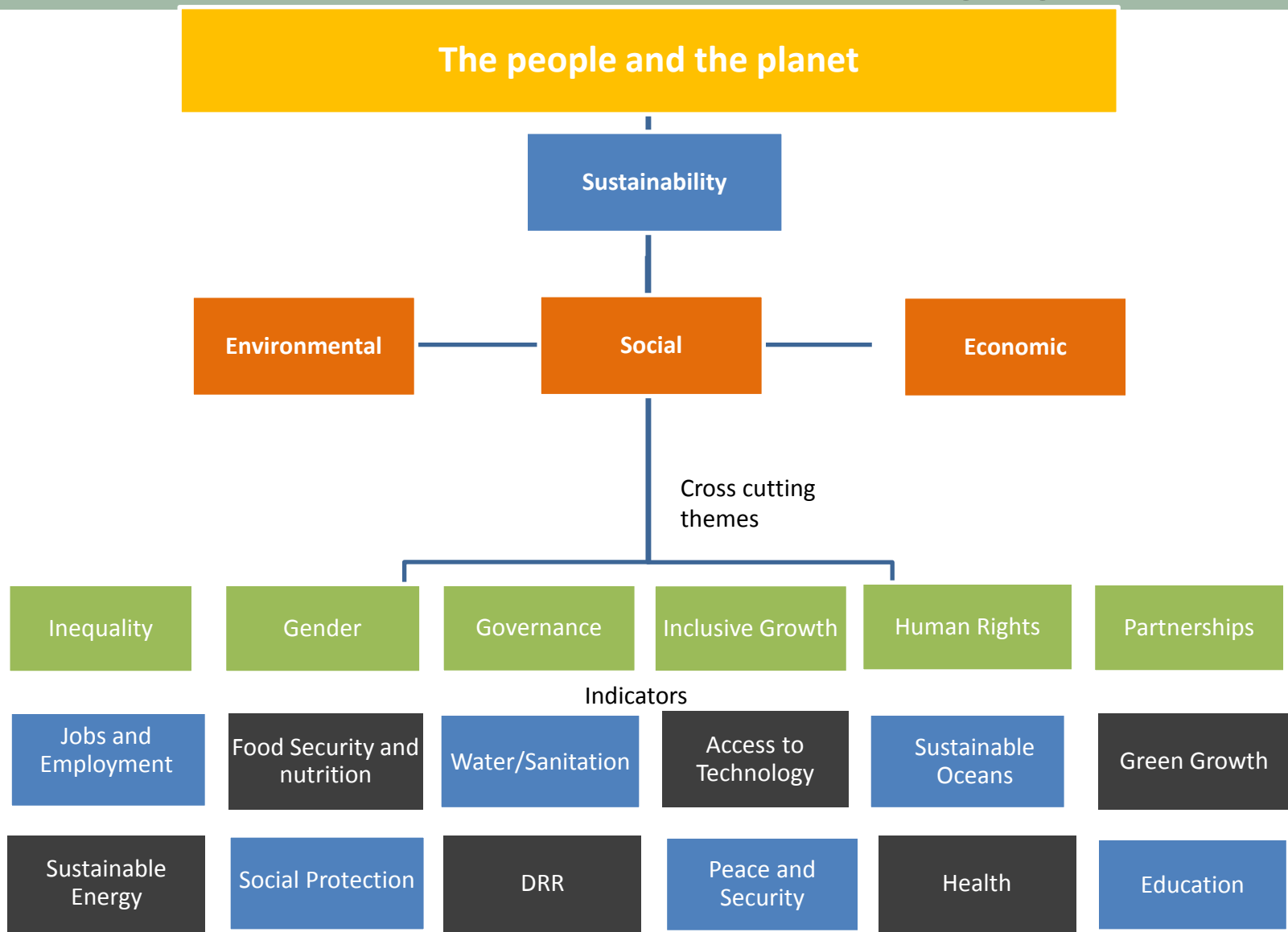
- MET
- MODERATELY OFF TARGET (2020-2030)
- INSUFFICIENT DATA



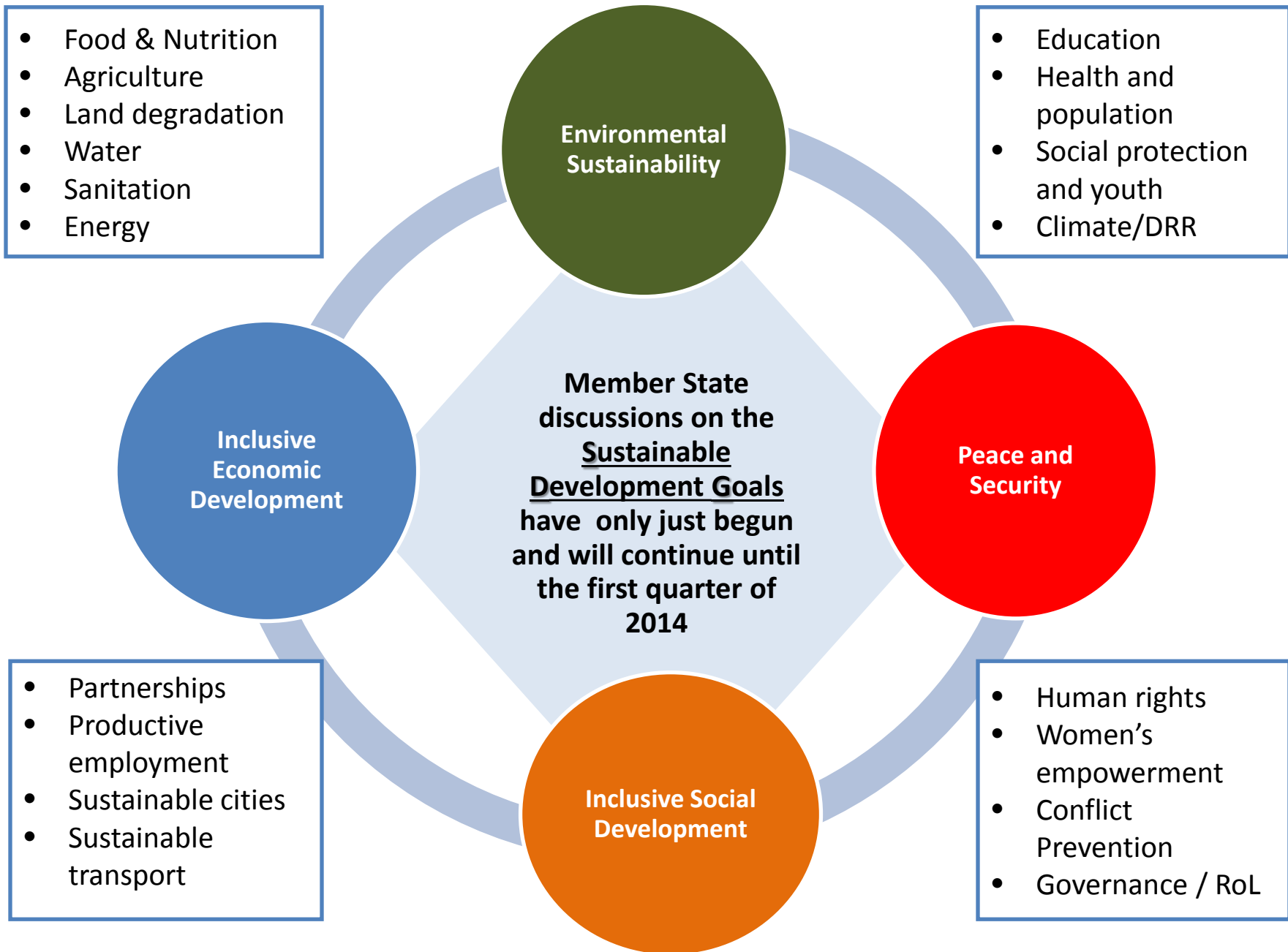
2015

POST-2015 UN PROCESS: ACTORS AND COMMUNICATION LINES*





There are many possible indicators still to be debated



THANK YOU