

The Unique Role of Cooperatives in Realizing the 2030 Sustainable Development Goals

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Background on Myanmar

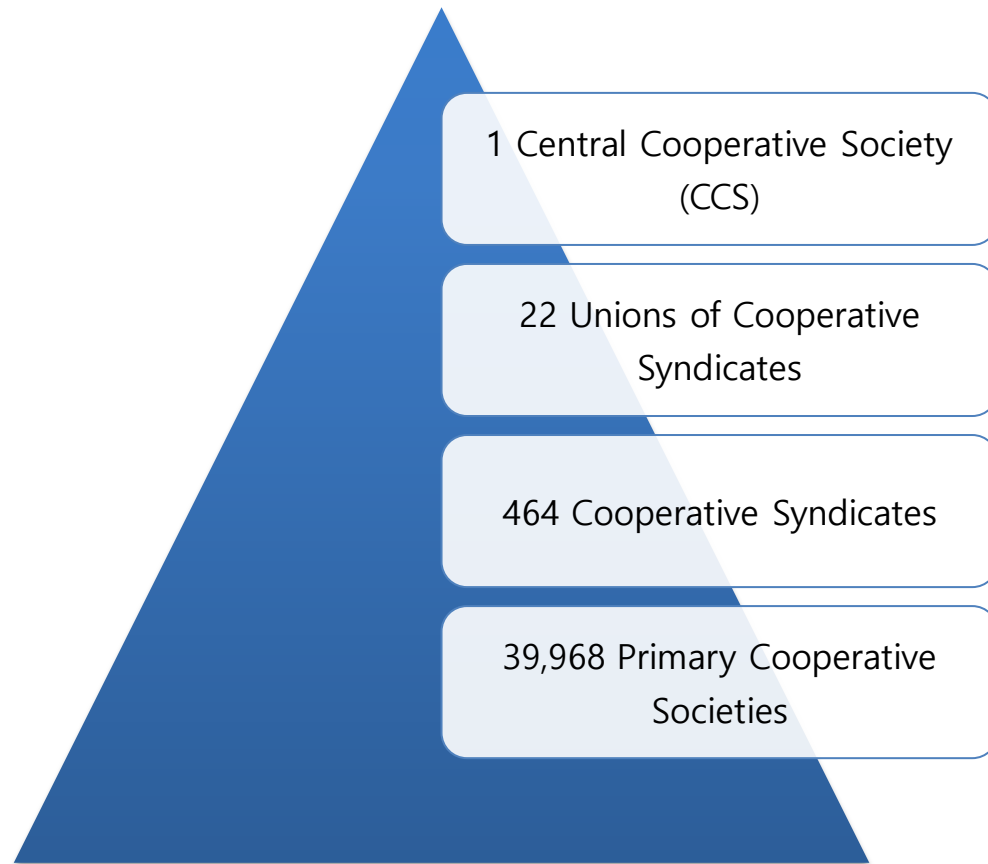
- Myanmar is a dynamic fast moving country in terms of development
- Know that they have fallen behind developmentally and are in a rush to catch up.
- Creates a hectic and at times chaotic situation.
- Only 30% of population financially included and of that only 6% have access to more than one service.
- Poor quality and expensive services
- Cooperative sector
 - Long history but political influence
 - Less of savings led mindset
 - Loans from China EXIM bank

Financial Inclusion in Myanmar

According to MAP diagnostic (2013), the financial inclusion is limited in Myanmar:

- 70% of the adult population is financially excluded or informally served, only 12% of youth (18-24) are banked and 6% of the population uses more than one financial product.
- 16% of the adult population borrow approximately USD 5.7 billion from informal credit sources at high rates.
- The formal credit supply is insufficient to meet the demand.
- Limited formal savings mechanisms exist.
- 66% of the rural adult population is excluded from formal services. The remaining 34% borrow mostly from MADB, which has a limited product offer.

The Cooperative Sector in Myanmar



Total: 4,095,
010
Members

As of 31/05/2016

Current Lending Cooperative Programmes in Myanmar

- Microfinance

6 months loans, average MMK 50,000 (USD 42) per acre, with a maximum of MMK 100,000 for 2 acres or more. Interest rate of 2.5% per month.

- EXIM China Bank

USD 800 million loan to the cooperative sector, 8-year term with 2-year grace period. Interest rate of 18% per annum for the first USD 100 million, 13.8% for the next USD 700 million

To qualify for an application, individuals must be members of a cooperative and possess their land. Loans are for 6 months and include 10% compulsory savings.

- Daewon Agricultural Machinery

For selling or hiring agricultural machinery. Members make a down payment of 10% on a 7 year loan with one year grace period. After, payments are made every 6 months.

Background on SDGs

- SDGs are a UN initiative acting as a Post 2015 Development Agenda, and are the successors of the Millennium Development Goals.
- The Intergovernmental Negotiations began in January 2015, ended in August 2015, and the final document was adopted at the UN Sustainable Development Summit on 25th – 27th September 2015 in New York.
- *Transforming our world: the 2030 Agenda for Sustainable* regroups **17 goals** and **169 targets** linked to sustainable development topics needed to improve the world we live in.
- The cooperative sector relates to 10 of these goals: 8 that are directly related to broader financial inclusion: goal 1, 2, 3, 4, 5, 8, 9 and 10 and 2 that promote a more inclusive society and the development of partnerships: goal 16 and 17



Goal 1

End poverty in all its forms everywhere



- **Poverty** is defined not only by the lack of income and resources to ensure a sustainable livelihood but refers also to hunger, malnutrition, limited access to education and other basic services, social discrimination, exclusion, as well as the lack of participation in decision-making
- Since 1990, extreme poverty rates (under \$1.25 per day) have been reduced by more than half.
- In developing countries, 1 in 5 people live on less than \$1.25 per day.
- Majority of these people live in Southern Asia and sub-Saharan Africa.
- 836 million people still live in extreme poverty.



The Sustainable Development Goals target, by 2030 are to:

- **Eradicate extreme poverty for all people everywhere.**
- **Reduce by half poverty levels according to national definition.**
- **Implement appropriate social protection systems and measures for all and provide proper coverage to the poor.**
- **Ensure everyone, whether poor, men or women have equal rights to economic resources, access to basic services, ownership and control over property, inheritance, natural resources, appropriate new technology and financial services, including microfinance.**
- **Reduce exposure of the poor and vulnerability to climate-related extreme events in economic, social and environmental shocks and disasters.**
- **Ensure significant mobilization of resources.**
- **Create policy frameworks at the national, regional and international levels, based on pro-poor and gender sensitive development strategies to accelerate investment in poverty eradication actions.**



Goal 2

End hunger, achieve food security and improved nutrition and promote sustainable agriculture



- The food and agriculture sector offers key solutions for development and is central for hunger and poverty eradication.
- Need to rethink how to grow, share and consume food to nourish today's 795 million hungry, and additional 2 billion people expected by 2050.
- Energy poverty is a fundamental barrier to reducing hunger.
- Globally, 795 million people (1 in 9) are undernourished. Most of them live in developing countries, and two third of them in Asia.
- Poor nutrition causes 45% of children under 5's deaths each year, and 1 of 4 children in the world suffer stunted growth.
- Agriculture is the largest employer in the world, providing livelihoods for 40% of the world population.
- 500 million farms worldwide provide up to 80% of food consumed in the developing world. Investing in smallholder people is an important way to increase food security and nutrition for the poorest, as well as food production for local and global markets.
- If women farmers had same access to resources as man, the number of hungry could be reduced by up to 150 million.



The Sustainable Development Goals target, by 2030 to:

- End hunger and ensure access by all people to safe, nutritious and sufficient food all year round.
- End all forms of malnutrition, especially for children under 5, adolescent girls, pregnant and lactating girls and older persons
- **Double the agricultural poverty and incomes of small-scale food producers through secure and equal access to land, productive resources and inputs, knowledge and financial services.**
- Ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems and that strengthen capacity for adaptation to climate change.
- Maintain the genetic diversity of seeds, cultivated plants and animals by 2020.
- **Increased investment, though enhanced international cooperation in rural infrastructure, agricultural research and technology development.**
- Correct and prevent trade restrictions and distortions in world agricultural markets.
- Adopt measures to ensure the proper functioning of food commodity markets.



Goal 3

Ensure healthy lives and promote well-being for all at all ages



- Healthy lives and well-being for all at all age is essential to sustainable development.
- Major progress has been made on increasing life expectancy and access to clean water and sanitation, reducing some killers responsible for child and maternal mortality, malaria, tuberculosis , polio and the spread of HIV/AIDS.

- Since 2000, measles vaccines have averted some 15.6 million deaths.
- However, more than 6 million children still die before their 5th birthday, 4 in 5 of them live in sub-Saharan Africa and Southern Asia.
- Children with educated mothers are more likely to survive.
- Maternal mortality has fallen by almost 50% since 1990, as more women receive antenatal care. However, half of women in developing region receive enough health care they need.
- At the end of 2013, new HIV infection were estimated at 2.1 million, 38% lower than in 2001 but there were still 35 million people living with HIV.
- HIV is the leading cause of death for women of reproductive age, and AIDS the second leading cause of death among adolescents (10-19) worldwide.
- Malaria incidence rate has fallen by 37% and its mortality rate by 58% between 2000-20



The Sustainable Development Goals target, by 2030 to:

- Reduce the global maternal mortality ratio to less than 70 per 100,000 live births.
- End preventable death of newborns and children under 5.
- End the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and combat hepatitis and water-borne diseases.

- Reduce by a third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well being.
- Strengthen the prevention and treatment of substance abuse (narcotic drugs and alcohol).
- Halve the number of global deaths and injuries from roads traffic accidents.
- Ensure universal access to sexual and reproductive health care services.
- **Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to essential medicines and vaccines for all.**
- Reduce the number of deaths and illness from hazardous chemicals and air, water and soil pollution and contamination.
- Increase health financing and strengthen the capacity of all countries for early warning systems, risk reduction and management of national and global health risks.



Goal 4

Ensure inclusive and quality education
for all and promote lifelong learning



- Quality education is the foundation to improving people's life and sustainable development. Major progress has been made in increasing access to education at all levels and enrolment rates in schools particularly for women and girls. The world has achieved equality in primary education between girls and boys, but few countries have achieved it at all levels of education.
- Enrolment in primary education in developing countries has reached 91 per cent but 57 million children remain out of school.
- More than half of children that have not enrolled in school live in sub-Saharan Africa.
- An estimated 50 per cent of out-of-school children of primary school age live in conflict-affected areas.
- 103 million youth worldwide lack basic literacy skills, and more than 60 per cent of them are women.



The Sustainable Development Goals target, by 2030 to:

- Ensure all girls and boys complete free, equitable and quality primary and secondary education leading to relevant learning outcomes.
 - Ensure all girls and boys have access to quality early childhood development, care and preprimary education.
 - Substantially increase the supply of qualified teachers
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- **Ensure all youth and a substantial proportion of adults achieve literacy and numeracy, and eliminate gender disparities in education.**
 - **Ensure all learners acquire the knowledge and skills needed to promote sustainable development.**
 - Build and upgrade education facilities that are child, disability and gender sensitive, and provide safe, nonviolent, inclusive and effective learning environments for all.
 - Substantially expand globally the number of scholarships available to developing countries by 2020.
 - Ensure equal access for all to affordable and quality technical, vocational and tertiary education, including university.



Goal 5

Achieve gender equality and empower all women and girls



- Despite progress towards gender equality and women's empowerment under the MDG, women and girls continue to suffer discrimination and violence in every part of the world.
- About two third of countries in the developing regions have achieved gender parity in primary education.
- In Southern Asia, only 74 girls were enrolled in primary school for every 100 boys in 1990. By 2012, the enrolment ratio in the same.
- In sub-Saharan Africa, Oceania and Western Asia, girls still face barriers to entering both primary and secondary schools.
- Women in Northern Africa hold less than 1 in 5 paid jobs in the non-agricultural sector.
- In 46 countries, women now hold more than 30% of seats in national parliament in at least one chamber.



The Sustainable Development Goals target, by 2030 to:

- End all forms of discrimination against women and girls everywhere
- Eliminate all forms of violence against all women and girls in the public and private spheres.
- Eliminate all harmful practices (child, early and forced marriage, female genital mutilation).
- Recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies.
- Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic and public life.
- Ensure universal access to sexual and reproductive health and reproductive rights.
- **Undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services and natural resources, in accordance with national laws.**
- Enhance the use of enabling technology to promote the empowerment of women.
- Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of women and girls at all levels.



Goal 6

Ensure access to water and sanitation for all



Goal 7

Ensure access to affordable, reliable, sustainable and modern energy for all



Goal 8

Promote inclusive and sustainable economic growth, employment and decent work for all



- Half of the world's population still lives on the equivalent of \$2 per day.
 - In many places, having a job doesn't guarantee the ability to escape from poverty.
 - The creation of quality jobs will remain a major challenge beyond 2015.
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- Global unemployment increased from 170 million in 2007 to 202 million in 2012, of which about 75 million are young women and men.
 - Poverty eradication is only possible through stable and well-paid jobs.
 - 470 million jobs are needed globally for new entrants to the labor market between 2016 and 2030.



- The Sustainable Development Goals target, by 2030 to:
 - Sustain per capita economic growth in accordance with national circumstances (at least 7% per annum in LDCs)
 - Achieve higher levels of economic productivity through diversification, technological upgrading and innovation.
 - Lower the proportion of youth not in employment, education, training.
- **Promote development policies and encourage the formalization and growth of micro, small and medium sized enterprises, including through access to financial services.**
- Improve global resources efficiency in consumption and production and endeavor to decouple economic growth from environmental degradation.
- Achieve full and productive employment and decent work for all women and men, and equal pay for work of equal value.
- Take immediate and effective measures to eradicate forced labor.
- Protect labor rights and promote safe and secure working environment for all workers.
- **Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all.**
- Increase aid for trade support for developing countries.



Goal 9

Build resilient infrastructure, promote sustainable industrialization and foster innovation



- Growth in productivity and incomes and improvements in health and education outcomes require investment in infrastructure.
 - Inclusive and sustainable development is the primary source of income generation.
 - Technological progress is the foundation of efforts to achieve environmental objectives.
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- 2.6 billion people in developing countries lack full time access to electricity, 2.5 billion people globally to basic sanitation, and 1.5 billion to reliable phone services.
 - Industrialization's job multiplication effect has a positive impact on society. Every one job in manufacturing creates 2.2 jobs in other sectors. SME that engage in industrial processing and manufacturing are the largest job creators, making up 90% of the global business and account for 60% of employment.
 - LDC have a immense potential for industrialization in food and beverages (agro-industry and agribusiness), textile and garments with good prospects for sustained employment and higher productivity, middle income countries can benefit from entering the basic and fabricated metal industries.



The Sustainable Development Goals target, by 2030 to:

- **Develop quality, reliable, sustainable and resilient infrastructure to support economic development and human well-being.**
- Promote inclusive and sustainable industrialization and raise industry's share of employment and GDP.
- **Increase access to information and communications technology.**
- **Increase the access of small scale industrial and other enterprises to financial services, including affordable credit, and their integration into value chains and markets.**
- **Upgrade infrastructure and retrofit industries to make them sustainable.**
- Enhance scientific research, upgrade technological capabilities of industrial sectors in all countries.
- Facilitate sustainable and resilient infrastructure development in developing countries through enhanced financial technological and technical support.
- Support domestic technology development, research and innovation in developing countries.



Goal 10

Reduce inequality within and among countries



- Despite progress to reduce poverty rates, inequality still persists and large disparities remain in access to health and education services.
- While income inequality between countries has been reduced, inequalities within countries have risen: income inequality increased by 11% in developing countries between 1990 and 2010.
- Children in the poorest 20% of the population are still up to three times more likely to die before their 5th anniversary than children in the richest quintiles.
- Social protection has been extended globally, but persons with disabilities are up to 5 times more likely than average to incur catastrophic health expenditures.
- Despite overall decline in maternal mortality, women in rural areas are still up to 3 times more likely to die while giving birth than women in urban centers.
- Beyond a threshold, inequality harms growth and poverty reduction.



The Sustainable Development Goals target, by 2030 to:

- **Achieve and sustain income growth of the bottom 40% at a rate higher than national average.**
 - **Empower and promote social, economic and political inclusion of all.**
 - **Ensure equal opportunity and reduce inequalities of outcome.**
 - **Adopt policies (fiscal, wage and social protection) for greater equality.**
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- Improve the regulation and monitoring of global financial markets and institutions and strengthen the implementation of these regulation.
 - **Ensure enhanced representation and voice for developing countries in decision-making in global international economic and financial institutions.**
 - Facilitate orderly, safe, regular and responsible migration and mobility of people.
 - Implement the principle of special and differential treatment for developing countries.
 - Encourage ODA and financial flows to states where the need is the greatest in accordance with their national programmes and plans.
 - **Reduce to less than 3% the transaction costs of migrant remittances and eliminate remittance corridors with costs higher than 5%.**



Goal 11

Make cities inclusive, safe, resilient and sustainable



Goal 12

Ensure sustainable consumption and production patterns



Goal 13

Take urgent action to combat climate change and its impacts



Goal 14

Conserve and sustainably use of the oceans, seas and marine resources



Goal 15

Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss



Goal 16

Promote just, peaceful and inclusive societies



- The rule of law and development have a significant interrelation and are mutually reinforcing, making it essential for sustainable development at the national and international level.
- Among the institutions most affected by corruption are the judiciary and police.
- Corruption, bribery, theft and tax evasion cost some \$1.26 trillion for developing countries per year; this amount of money could be used to lift those who are living on less than \$1.25 a day above \$1.25 for at least six years.
- The rate of children leaving primary school in conflict affected countries reached 50 percent in 2011, which accounts to 28.5 million children, showing the impact of unstable societies on one of the major goals of the post 2015 agenda.



The Sustainable Development Goals target, by 2030 to:

- Significantly reduce all forms of violence and related death rates everywhere and end abuse, exploitation, trafficking and all forms of violence against and torture of children.
 - Promote the rule of law at the national and international levels and ensure equal access to justice for all.
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- Significantly reduce corruption and bribery in all their forms, illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organized crime.
 - Develop effective, accountable and transparent institutions at all levels and Ensure responsive, inclusive, participatory and representative decision-making at all levels.
 - Broaden and strengthen the participation of developing countries in the institutions of global governance.
 - Provide legal identity for all, including birth registration.
 - Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements.
 - Promote and enforce non-discriminatory laws and policies for sustainable development.



Goal 17

Revitalize the global partnership for sustainable development



- A successful sustainable development agenda requires partnerships between governments, the private sector and civil society. Urgent action is needed to mobilize, redirect and unlock the transformative power of trillions of dollars of private resources to deliver on sustainable development objectives. Long-term investments are needed in critical sectors, especially in developing countries.
- ODA assistance stood at \$135.2 billion in 2014, the highest level ever recorded.
- 79% of imports from developing countries enter developed countries duty-free.
- The debt burden on developing countries remains stable at about 3% of export revenue
- Although 30% of the world's youth are digital natives, active online for at least 5 years, 4 billion people do not use the Internet, and 90% of them are from the developing world.



The Sustainable Development Goals target, by 2030 to:

- Strengthen domestic resource mobilization to improve domestic capacity for tax and other revenue collection.
- Developed countries to implement fully their official development assistance commitments (0.7% of ODA/GNI to developing countries and 0.15 to 0.20 % of ODA/GNI to LDCs).
- Assist developing countries in attaining long-term debt sustainability through coordinated policies aimed at fostering debt financing, debt relief and debt restructuring, as appropriate, and address the external debt of highly indebted poor countries to reduce debt distress.
- Enhance North-South, South-South and triangular regional and international cooperation on access to science, technology and innovation.
- Enhance international support for implementing effective and targeted capacity-building in developing countries to support national plans to implement all the sustainable development goals.
- Promote a universal, rules-based, open, non-discriminatory and equitable multilateral trading system, increasing the exports of developing countries.

SDGs and You

- Important to be aware of trends and focus of Development partners
- See yourselves as playing a key role in achieving the SDGs
- The coop sector based on its developmental perspective combined with breadth and depth of outreach should be playing a key role.

Conclusion: SDGs and the Cooperative Sector

The Cooperative sector plays a key role in addressing the SDGs, for various reasons:

- Cooperatives are initiated by at least 5 members, it is therefore a good example of partnership.
- Cooperatives allow an interaction between members, and can reach the low income population: they participate in creating a more inclusive society.
- By providing working capital to the low income segment, cooperatives promote inclusive growth that reduces inequalities.
- Finally, cooperatives help to alleviate poverty, improve food security and the well being of their members, potentially allowing their relatives a better access to education. Also, when women become members, they can also be economically empowered.

THANK YOU

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