



INTERNATIONAL MONETARY FUND FACTSHEET

The IMF and the Millennium Development Goals

The Millennium Development Goals (MDGs) are a set of development targets agreed by the international community, which center on halving poverty and improving the welfare of the world's poorest by 2015. The IMF has contributed to this effort through its advice, technical assistance, and lending to countries, as well as its role in mobilizing donor support. Together with the World Bank, it has assessed progress toward the MDGs through an annual Global Monitoring Report. As the international community prepares to adopt a post-2015 development agenda and a set of Sustainable Development Goals (SDG), the IMF will contribute significantly to the international effort, including by providing Fund policy views on IMF-relevant issues in the debates and analytical inputs in support of the UN member states forging the new agenda.

Eight goals

In 2000, at the United Nations Millennium Summit, world leaders agreed to eight specific and measurable development goals—now called the [Millennium Development Goals \(MDGs\)](#)—to be achieved by 2015. The first seven goals focus on eradicating extreme poverty and hunger; achieving universal primary education; promoting gender equality and empowering women; reducing child mortality; improving maternal health; combating HIV/AIDS, malaria and other diseases; and ensuring environmental sustainability. The eighth goal calls for the creation of a global partnership for development, with targets for aid, trade, and debt relief.

Achieving the MDGs

There are many [ways in which the IMF helps poor countries](#) achieve the sustained high levels of growth that establish the basis for poverty reduction—including through policy advice, technical assistance, financial support, and debt relief. It also tries to ensure that developed countries' policies are supportive of low-income countries' development efforts, by advocating for increased foreign aid, the opening of markets to developing countries' exports, and the maintenance of a healthy, enabling international economic climate.

As part of these efforts, the IMF rapidly and substantially increased its financing to low-income countries during the global crisis, thereby helping these countries implement a counter-cyclical response and, in particular, protect social and other priority spending. The IMF also made its concessional financing instruments more flexible to better meet the needs of its [low-income-country members](#). The reform also provides exceptional interest relief (for example, zero interest payments on concessional loans through end-2016) and permanently higher concessionality.

It is recognized that macroeconomic stability and growth depend heavily on structural and institutional factors. Therefore, in contributing to the achievement of the MDGs, the Fund has worked closely with partner agencies, especially the World Bank, but also other multilateral and bilateral providers of aid and financing.

Measuring progress

The [Global Monitoring Report](#) (GMR) is an annual report that aims to assess how the world is doing in implementing the policies and actions needed to achieve the MDGs and related outcomes. It has been produced jointly by the World Bank and the IMF, in collaboration with other international partners. In eleven annual series, the GMR has outlined prospects for the attainment of the MDGs and assessed the support of the international community.

The [2014/15 Global Monitoring Report](#) confirmed that the important goal of cutting extreme income poverty in half by 2015 had been met ahead of time in 2010. The goal of halving the proportion of people without access to clean water, and the goal of achieving a significant improvement in the lives of at least 100 million slum dwellers by 2020, had also been achieved ahead of time in 2010. The goal of eliminating gender disparity in primary education was accomplished in 2010. In contrast, overall global progress on health-related targets has been less than stellar, with many countries likely to miss the MDGs on child and maternal mortality, and on access to sanitation. Accelerating progress toward the attainment of these MDGs is not only desirable, but would also generate positive spillovers.

Regional progress toward achieving the MDGs is more diverse. At one end of the spectrum, the East Asia and Pacific region is on target to meet most of the MDGs except for the goal of 100 percent primary education completion rate. At the other end, sub-Saharan Africa is off target on most of its MDGs. However, it should be noted that given their difficult starting points, delays in policy reforms and growth, and fragile conditions, these countries have made significant progress in absolute terms. This is particularly true of those MDGs that the world as a whole is struggling to meet. Drawing on domestic efforts and international support, these countries need to accelerate growth and buttress a virtuous circle of development through good economic policies, stronger institutions, and improved infrastructure.

Post-2015 development agenda

2015 is a pivotal year to lay the foundations for supporting sustainable global development through 2030 and beyond. The international community is expected to adopt a post-2015 development agenda and a new set of Sustainable Development Goals (SDGs) to replace the expiring MDGs at a United Nations Summit in September 2015. There have been various contributions for this ambitious development agenda in the lead up to the Summit, such as a set of 17 SDGs proposed by an open working group of the United Nations General Assembly (UNGA), the report of an intergovernmental committee of experts on sustainable development financing, and a synthesis report by the UN Secretary-General, which draws together the major contributions.

An important element of the post-2015 development agenda will be a renewed global partnership to help secure the means of implementation for the new agenda, in particular sound macroeconomic and development policies and a supportive international environment, including an appropriate framework for financing for development. The latter is the focus of the Third UN Conference on “Financing for Development” in Addis Ababa in July, which aims to build on the historic Monterrey Consensus of 2002 that was instrumental for the achievement of the MDGs. The outcome of the Addis conference will complement the launch of the SDGs.

The IMF has provided empirical and analytical inputs to the UN system-wide effort of supporting the UN member states in forging the new development agenda. As a major institutional stakeholder of the financing for development process (along with the World Bank Group, the WTO, UNCTAD and UNDP), the Fund is now fully engaged in the preparations for the Addis Ababa conference and aims to contribute in a significant way to a positive and consensual outcome.

Accelerating Progress Beyond the MDGs: A Six-Point Agenda

Sustain and broaden the growth momentum

- Strong and inclusive growth must be at the center of the strategy to achieve the SDGs.
- Need for concerted efforts to spur growth in lagging countries in Africa and fragile states.
- A sound macroeconomy, a conducive private investment climate (regulatory environment, infrastructure), and good governance are key ingredients of strong and inclusive growth.
- Need for careful monitoring of and responsiveness to risks to developing country growth arising from ongoing tensions in international financial and commodity markets.

Achieve better results in human development

- Increased public spending on education and health is not the sole answer; quality and equity of spending are equally important.
- Policies and interventions must factor in strong linkages between health and education outcomes and child nutrition and environmental risk factors—water and sanitation, pollution, climate change.

Integrate development and environmental sustainability

- Environmental sustainability must be integrated into core development work, maximizing synergies.
- For natural resource-dependent countries, sound resource management is critical for sustainable growth.
- Developing countries will suffer most from climate change and are least able to adapt. For them the best way to adapt is to develop.
- Mitigation of carbon emissions will require financing and technology transfer to developing countries. Such support should not divert resources from other development programs.

Scale up aid and increase its effectiveness

- Notwithstanding current domestic fiscal pressures, traditional donors must expedite aid delivery in line with commitments, particularly to low-income and fragile countries that offer promising scaling-up opportunities.
- The changing aid architecture promises more resources and innovation but also poses new challenges for aid effectiveness and coherence across an increasingly diverse donor community.

Harness trade for strong, inclusive, and sustainable growth

- Conclude the Doha trade round expeditiously.
- Aid-for-trade to strengthen trade logistics, supported by services liberalization, is important for poor countries' competitiveness and ability to benefit from trade opportunities.

Leverage international financial institutions' support

International financial institutions' declining relative financing role does not imply less relevance. Their impact through leverage remains key in achieving collective action on development and the increasingly important global and regional public goods such as climate change.

- Adaptation of strategy to increasing client differentiation and global change initiated by several international financial institutions is important and timely.