

A world of opportunities: New Zealand development cooperation and the SDGs



New Zealand Prime Minister Jacinda Ardern and Foreign Minister Winston Peters (Credit: New Zealand Labour Party)

by Jo Spratt

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Recent weeks have seen New Zealand's new government lay-out their foreign policy agenda ([here](#) and [here](#)). Neither Prime Minister Ardern nor Foreign Affairs Minister Peters mentioned the Sustainable Development Goals ([SDGs](#)). It is hard to get excited about 17 goals and 169 targets. Yet, there is no escaping the fact that the SDGs are *the* global framework for people, planet, prosperity, peace and partnership. Other countries are streaks ahead of New Zealand, such as [Australia](#) ([here](#) and [here](#)) and [Samoa](#). What does New Zealand need to do to catch-up?

The SDGs are founded upon the principle of universalism, meaning that we – humanity – are in this all together. Each country is striving to improve their citizens' well-being and prosperity, and in our evermore globalised world, we face significant challenges that can only be addressed through global collective action. MFAT has a great opportunity to build on its 'new Pacific diplomacy' and its commitment to the SDGs, to grow development diplomacy across the entire ministry and government. New Zealand's foreign affairs can become more about New Zealand's long-term, distant interests in a peaceful and prosperous world for all.

The imperative to "leave no-one behind" is another key SDG principle. To enact this, New Zealand must put poverty and human rights analysis front and centre in the aid program. Legislation, or at least a Cabinet decision, is needed to place poverty reduction as ODA's paramount purpose. Minister Peters has already outlined a welcome renewed focus in the social and environmental aspects of sustainable development. These high-level decisions can be implemented through careful country analysis and a sophisticated understanding of poverty.

Thinking about poverty and [inequality](#) is evolving, and while action should not lose sight of those who exist in extreme poverty, there are also many people who grind along just above the absolute poverty line of \$2 a day. The '[strugglers](#)' is what

Nancy Birdsall recently called the latter. Even though these people have achieved a per capita income of \$4-10 a day, they are not rich by any stretch of the imagination, and have a 40 per cent risk of falling back below the \$2 a day poverty line. This is particularly pertinent for New Zealand's work in Asia. MFAT could use new thinking to carefully define poverty across the diversity of countries it works with, and how New Zealand's development cooperation can best leave no-one behind.

The area where the aid program needs to focus most is [SDG 17](#): “strengthen the means of implementation and revitalise the global partnership for sustainable development” (and its [targets](#)). This goal and its targets outline key actions for states to undertake to ensure no country is left behind. Here I touch on finance, capacity building, trade, and multi-stakeholder partnerships.

On financing, hopefully Minister Peters will win the argument to increase Vote ODA, because New Zealand's ODA is stagnating, and set to fall to a [low of 0.21% by 2021](#). In terms of leveraging private sector funding for development, MFAT has begun to build relationships with the private sector. This provides a foundation upon which to expand, but more consideration is needed to develop a fully-fledged, effective strategy. The Pacific, in particular, needs increased foreign direct investment, as well as assistance to establish links between local suppliers of labour, products and services, and bigger, external firms. New Zealand could even contemplate establishing a Pacific Development Finance Institution (see [here](#), [here](#), [here](#) and [here](#)), with Australia. While climate financing is not mentioned under SDG17, it is essential in the response to climate change ([SDG 13](#)). New Zealand needs to provide additional funding for climate action, and transparently account for this.

Capacity-building is an important aspect of SDG17, and one that both the [Pacific Peer Review](#) and the 2015 OECD [DAC Peer Review](#) recommended New Zealand consider more deeply. Meaningful capacity-building requires long-term engagement based on collegiality, learning, and systems-thinking. New Zealand currently has no clear articulation of *how* it goes about achieving development outcomes. Here is an opportunity for New Zealand to both build on its strength in nurturing quality relationships, and integrate new thinking about how aid works – accounting for power and politics, and incorporating adaptability and flexibility into long-term partnerships.

On trade, under the Pacific Agreement on Closer Economic Relations Plus, New Zealand has committed to “spend at least 20% of all official development assistance on ‘Aid for Trade’ in the Pacific over five years” ([p. 73](#)) (or [here](#), p. 2). This is a substantial commitment. Again, there are prospects for creative thinking about how to ensure this expenditure works hard to achieve positive social impacts that go

beyond traditional 'aid for trade' activities. This **government** wants to see trade agreements be inclusive, and work for Māori and women in New Zealand. Ideally, these priorities will also apply to the countries New Zealand negotiates trade deals with. There are exciting possibilities here for New Zealand to ensure aid for trade leads to positive results in areas such as micro and small businesses, youth employment, and women.

The New Zealand aid program has convening power, and is already the site of multi-stakeholder partnerships, including with civil society organisations and the private sector. The ministry engages in policy dialogue with various New Zealand actors, and this can be expanded upon significantly. Further, the aid program can bring people together from across New Zealand, the Pacific, and beyond, to learn about shared challenges, such as ending violence against women, or creating employment for young people in isolated areas.

The scale of the SDGs need not be overwhelming. New Zealand is well-situated to embark on action to support partner countries to achieve the SDGs. The aid program has many opportunities to exploit. With concerted attention, it won't take long to gain momentum, doing New Zealand's bit to achieve a healthy planet, and peaceful and prosperous communities where no-one is left behind.

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