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DEVELOPMENT**  
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## **Countries Advance Agreement on New Ways to Finance Bold New Sustainable Development Agenda**

### ***Negotiations to conclude in Addis Ababa at 3<sup>rd</sup> International Conference on Financing for Development***

**New York, 8 July** – Countries advanced negotiations this week for the Third International Conference on Financing for Development with broad agreement on a range of actions they will undertake to finance a new global sustainable development agenda.

In the draft outcome document, countries pledge bold measures that would transform how global finance works by aligning it with sustainable development. A small number of issues remain for further discussion in Addis Ababa at the Conference, which will be held from 13-16 July.

In Addis Ababa, Member States and other stakeholders will also announce individual concrete initiatives and commitments that contribute to Financing for Development.

The outcome agreement will be adopted by all members of the United Nations at the Addis conference and will serve as the foundation for financing the ambitious sustainable development agenda built on 17 new universal sustainable development goals. The new agenda will advance sustainable development in all countries and aim to leave no person behind.

The Addis outcome is crucial for building momentum towards agreement on an ambitious post-2015 development agenda at a summit in New York in September and the conclusion of a comprehensive and universal new climate agreement in Paris this December.

The Addis Ababa Conference will be held at the highest political level with approximately 30 Heads of State, Heads of Governments and Deputy Prime Ministers attending, together with more than 110 Ministers of Finance, Foreign Affairs and Development Cooperation. In addition, approximately 1,000 representatives from civil society and the business sector are expected to be in Addis for the Conference, including for the International Civil Society and Business Forums.

“The Conference will set a framework for financing sustainable development over the next fifteen years,” said Wu Hongbo, Conference Secretary-General and United Nations Under-Secretary-General for Economic and Social Affairs. “The outcome will be a comprehensive package in support of the Sustainable Development Goals to be adopted in September. The framework will be ambitious and universally inclusive – no-one should be left behind.”

The Financing for Development Conference will forge an enhanced global partnership for sustainable development that aims to universally foster inclusive economic prosperity and improve people’s well-being, while protecting the environment.

With the aim of mobilizing resources in all countries, in developing and developed countries, the Conference will look at all possible revenue sources, public and private, domestic and international.

The draft version of the outcome that will be adopted in Addis - the Addis Ababa Action Agenda - has emerged after many months of intense negotiations. It features a number of important policy commitments and deliverables that will contribute to Financing for Development and the implementation of the sustainable development goals, such as a new social compact to deliver social protection and essential public services for all and a package of proposals for least developed countries, including increased aid, steps to amplify foreign direct investments, and the establishment of a new technology bank for the LDCs by 2017.

One critical issue that remains to be resolved concerns the differing duties and responsibilities of countries, considering their differing circumstances and capacities. This issue is also critical for the climate change negotiations for a new universal climate agreement in Paris this December.

In Addis Ababa, Member States and other stakeholders will also announce new initiatives and commitments that will serve as an additional pillar for the success of the Conference.

### **Background**

Among the areas that have been discussed for inclusion in the draft outcome are proposals for:

- Quality investments to deliver social protection and to provide essential public services for all, including health, education, energy, water and sanitation. International finance and assistance would be essential for the efforts of all countries to achieve these goals.
- A new infrastructure forum to bring together existing infrastructure initiatives to help make sure gaps are filled in infrastructure finance and ensure coordination, governments agreed to create the forum. This would improve new and existing initiatives, including new institutions such as the Asian Infrastructure Investment Bank, and speed up co-financing and cooperation.
- Fighting illicit financial flows with anti-abuse clauses in tax treaties, better accounting, better disclosure and information sharing, and more efforts to ensure tax is paid where economic activity occurs. Measures would also improve and modernise international tax rules and strengthen existing bodies for tax cooperation with the aim of helping countries boost their own financing of their development.
- Filling technology gaps and transferring technologies through a new technology facilitation mechanism which will help developing countries access and use science, technology and innovations, allowing leapfrogging of technology implementation.
- Mainstreaming of women's rights into finance and economics would see countries committing to respecting women's rights as human rights fundamental to the achievement of sustainable development.
- Support for developing countries in tax capacity building by donors and other countries to increase the ability to effectively and fairly raise revenue through taxation. The potential payoffs are in the billions in terms of additional revenue realized over the period of the sustainable development goals.
- To mobilize socially and environmentally responsible business, work to strengthen the mechanisms and incentives for compliance this will help align private sector incentives with public goals.

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