



HIGH-LEVEL CONFERENCE ON FINANCING FOR DEVELOPMENT AND THE MEANS OF IMPLEMENTATION OF THE 2030 AGENDA FOR SUSTAINABLE DEVELOPMENT

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From country initiatives to global advances – mobilizing financing for sustainable development

1. Background

Two years after the adoption of the 2030 Agenda for Sustainable Development (2030 Agenda) and the Addis Ababa Action Agenda (Addis Agenda), the world has seen discernible progress across all levels in implementing these frameworks. Despite this positive momentum, the international community is concerned that progress is not happening at the pace required to achieve the Sustainable Development Goals (SDGs). In the outcome document of the 2017 ECOSOC Forum on Financing for Development follow-up¹ (FfD Forum), Member States “express concern about the significant impacts of the challenging global environment in 2016 on national efforts to implement the Addis Ababa Action Agenda. Challenges include not only economic factors, such as difficult macroeconomic conditions, low commodity prices, subdued trade growth and volatile capital flows. They also include natural disasters, climate change, environmental degradation, humanitarian crises and conflicts. The current global trajectory will not deliver the goal of eradicating poverty in all its forms and dimensions by 2030.” In order to reverse this trend, Member States commit to “take concrete and immediate action to create the necessary enabling environment at all levels for the achievement of the 2030 Agenda for Sustainable Development and accelerate national and international efforts to implement the Addis Ababa Action Agenda.”

To achieve the SDGs, it is critical that the 2030 Agenda and the Addis Agenda stay at the top of the political agendas of national policymakers, regardless of emerging challenges and the change of political cycles. This will require that global follow-up and review processes stay current and relevant to the concerns and most current challenges of countries, and able to guide problem-solving at the national level. The Voluntary National Reviews (VNRs), in the context of the High-Level Political Forum on Sustainable Development (HLPF), have effectively created a stronger link between global policies and local implementation, encouraging countries to make candid evaluations of the successes and challenges of the implementation of the 2030 Agenda.

Financing sustainable development takes place in a dynamic environment, where public and private balance sheets change frequently with interest rates, exchange rates, commodity prices and monetary and fiscal adjustments. The relevance of global policies, to an even greater degree, hinges on the timeliness and effectiveness of the feedback from the national to the global level. Given the call from Member States for greater sharing of national experiences on the implementation of the Addis Agenda, the 2017 FfD Forum introduced ministerial round tables, encouraging ministers to have a dialogue on action areas of the Addis Agenda that resonated most with their national sustainable development priorities. This modality has been successful in sharing countries' experiences, since reflecting very dynamic national realities in annual events represents a major challenge. Countries have expressed a strong desire to pronounce themselves on a more regular basis, thereby retaining the integrity of their positions and complementing third-party reporting.

A more integrated approach to the preparatory process of the 2018 FfD Forum and 2018 HLPF could be an effective way to highlight the synergies between the 2030 Agenda and the Addis Agenda and

¹ E/FFDF/2017/3

ultimately enrich international discourse on approaches to financing the SDGs. The process would aim to encourage a dialogue on the means of implementation *within* countries between different ministries and other actors, at the national level, and between countries, at the global level, with a focus on financing and scaling up solutions for the SDGs. The High-level Conference in Doha will be the first attempt at such an integrated approach.

2. Objective

The high-level meeting will serve as a joint preparatory event for the 2018 FfD Forum and the 2018 HLPF. It will aim to achieve the following objectives:

- Identify current challenges in advancing financing for the SDGs, as well as country-level policy and institutional innovations in resolving them;
- Strengthen coherence and coordination in preparations for the 2018 HLPF and the 2018 FfD Forum; and facilitate dialogue between their respective national constituencies (e.g. between ministries of finance, economy, trade and development cooperation, and ministries of foreign affairs and environment, as well as sustainable development councils);
- Sensitize national policy makers on the policy developments at global level (outcomes of the FfD Forum and HLPF);
- Showcase initiatives and innovations in areas jointly identified by the host country and the United Nations.

3. Focus areas

Sharing country experiences in mobilizing resources towards the implementation of the Addis Agenda and the 2030 Agenda – policy and institutional innovations

The 2030 Agenda and the Addis Agenda provide overarching global frameworks but their application has to be tailored to the specific circumstances of each country, which justify differentiated policies and institutions. The reforms and innovation undertaken at national level represent a diverse and rich body of knowledge, which provides an indispensable input to global policy dialogue. To this end, a group of governments, representing countries at different income and vulnerability levels will be invited to present their policy and institutional innovations in implementing the Addis Agenda and the means of implementation of the 2030 Agenda. The presentations will ideally be in the form of case studies, putting the innovations into local context, explaining their relevance for global policy-making and necessary international support.

Means of implementation of the SDGs selected for an in-depth review in the 2018 HLPF

The 2018 HLPF is mandated to conduct an in-depth review of SDG 6 (clean water and sanitation), SDG 7 (affordable and clean energy), SDG 11 (sustainable cities and communities), SDG 12 (responsible consumption and production) and SDG 15 (life on land) (in addition to SDG17 which is reviewed annually). Countries presenting at the high-level meeting will be invited to share their innovative solutions to financing these particular goals. A special area of focus will be the use of financing and other instruments to scale up technology solutions for this purpose. There will also be a panel discussion focused on means of implementation of these selected SDGs based on background studies, which will be prepared in advance in order to make a concrete contribution to the 2018 HLPF.

Emerging state-led instruments to finance SDGs – the case of sovereign wealth funds

Holding the meeting in Qatar presents an opportunity to learn from the unique state-led instruments that are widely-used in the region and hold great potential for financing sustainable development. Since

2000, the world has seen growth of sovereign wealth funds (SWFs) thanks to a decade of high commodity prices and export-led growth in many countries, as well as the increasing allure of financialization. At the moment, SWFs are particularly well positioned to become a major player in green investment, as an increasing number of SWFs are looking to economic diversification of their wealth into industries and sectors that would yield broader societal, economic and environmental benefits. It is envisaged that established and new SWFs (particularly in Africa) will be invited to share their successes and challenges in diversifying their investment into sustainable development, as well as national and global policies needed to support such transition.

The role of development finance institutions in achieving the SDGs

This session will invite representatives of global and regional development finance institutions to discuss the potential of a wide range of financial mechanisms in funding large-scale investments into the SDGs. Discussions will focus on instruments that allow these institutions to provide greater concessional and non-concessional stable, long-term development finance by leveraging contributions and capital, and by mobilizing resources from capital markets. In particular, Islamic finance is well placed to contribute to the implementation of the 2030 Agenda, through its focus on financial stability, financial inclusion and shared prosperity. According to a 2016 joint World Bank Group and Islamic Development Bank Group report, global Islamic finance represents \$1.9 trillion in assets. Islamic banking, Islamic capital markets, insurance, housing and other asset classes, and Islamic social finance have all been growing in importance. The main components of Islamic capital markets are equity markets and sukuk (asset-backed securitized Islamic products), which holds significant potential to finance large scale infrastructure investments for the SDGs. Total sukuk outstanding globally amounted to \$311 billion as of end-2014, with several very large scale issuances by sovereigns and quasi-sovereigns in recent years.

4. Outcome

The outcome of the conference will be an informal summary by the co-organizers, which will be transmitted by the host country to the 2018 FfD Forum and the 2018 HLPF.

5. Participation

Up to 250 high-level representatives of governments, major institutional stakeholders of the FfD process (World Bank, IMF, WTO, UNCTAD and UNDP), other international and regional organizations, civil society and the business sector, as well as other relevant stakeholders will be invited to participate in the conference.

6. Host/Venue

The meeting will be hosted by the Government of Qatar in the Sheraton Hotel in Doha. Qatar was the host of the Second International Conference on Financing for Development in 2008. As emphasized by the Government of Qatar during the recent FfD Forum, financing for development has always been a main objective of the foreign policy of the State of Qatar. Qatar has demonstrated strong commitment to the implementation of the Addis Agenda and the 2030 Agenda. During the reign of His Highness Sheikh Hamad bin Khalifa Al Thani, Qatar National Vision 2030 has been launched to serve as a clear roadmap for Qatar's future, in line with the 2030 Agenda. Her Highness Sheikha Moza bint Nasser joined the SDG Advocacy Group in order to generate momentum and commitment to achieve the SDGs.