



# **Third International Conference on Financing for Development: Plenary**

**Remarks by Brenda Killen delivered on behalf of  
Angel Gurría, Secretary-General, OECD**

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*(As prepared for delivery)*

Excellencies,

Distinguished Colleagues,

Ladies and Gentlemen,

We sit at a crucial moment in the history of humankind. The discussions this week represent an unprecedented opportunity to chart a more inclusive and sustainable future for all.

We have only one chance to get this right. But fortunately, many of the pieces are in place. I can affirm that the OECD stands ready to help deliver on the decisions taken here in Addis and those that will be made at the UN General Assembly in September and at the Climate Summit in December.

The OECD is very proud to have lent its expertise and data to support the consultations over the past few months and years leading up to this momentous Conference. Allow me to share with you some additional thoughts.

If we are to endorse a financing framework for the Sustainable Development Goals here in Addis Ababa, we must address what I call "A-I-T" – that is, more and better Aid, more and better Investment, and more and better Tax.

Aid is crucial – particularly for those countries with high levels of extreme poverty and those dealing with conflict. Official Development Assistance (or "ODA") reached an all-time high of USD 135.1 billion in 2013 – and we continue our work to hold members accountable for the promises they've made to provide more,

and more effective, aid. We have created incentives in the international aid system that will ensure that the poorest developing countries will be able to access more, and cheaper concessional loans than ever before. We have also agreed to develop a new framework for measurement – Total Official Support for Sustainable Development – to capture the wide array of financing above and beyond aid. We are committed to working with the international community in this work. New frontiers must be built on trust among all stakeholders.

### **The private sector has a significant role to play**

Policies make a difference for private enterprises. Sound policy frameworks are key for attracting investment – both foreign and domestic – as a catalyst for jobs, innovation and moving local enterprises into global value chains. The OECD's Policy Framework for Investment aims to increase countries' capacities to stimulate investment through policies that create an enabling environment and promote inclusive and sustainable development. This Framework has been used by over 30 emerging and developing economies and is an important resource for enhancing the contribution of investment to the SDGs.

### **A fairer and more transparent tax system will be essential – domestic resources provide by far the largest share of finance for development**

Tax is another crucial financing pillar for long-term sustainable development. The OECD/G20 Base Erosion and Profit Shifting Project is tackling gaps in international tax rules to curb multinational tax avoidance and offshore tax

evasion in developing countries. Today, 61 countries are working together around a shared agenda and shared concerns. Developing countries are influencing the BEPS outcomes. Furthermore, the Global Forum on Automatic Exchange of Information for Tax Purposes, with its 126 members, is the premier international body for ensuring high quality standards for fighting tax evasion and illicit financial flows. And I am also proud to announce that the OECD is collaborating with UNDP to launch the Tax Inspectors Without Borders initiative here in Addis Ababa. This initiative will ensure that developing countries have ready access to targeted, expert tax audit support.

### **Climate financing must be included in the picture**

Success today cannot come at the expense of sustainability tomorrow. Climate change is one of the greatest threats to development. But the idea of a trade-off between climate change action and development is a false choice. Development and sustainability are not an either/or proposition. In implementing the post-2015 agenda, financing climate action must not be considered in isolation. It is estimated that between 10 to 40% of development assistance activities per country will be affected by climate risk. It is hence vital that ODA be “climate-smart,” to ensure that poverty reduction and development are not eroded by climate change and that development is sustainable.

### **Money alone cannot drive development – partnerships are vital for implementation**

Partnerships will be crucial for the monitoring and accountability of the post-2015 framework, for sharing knowledge and good practices, and for achieving better results. Non-state actors, alongside governments, will play a key role in the implementation of the future agenda. Collective action will be critical to break down silos, build trust and find more effective responses to global challenges.

Partnerships have been at the core of OECD work for more than five decades, including working with members and key partners across all regions of the world and on a vast array of topics. Our joint work with the UN to support the Global Partnership for Effective Development Co-operation has created a dynamic community of practice on development issues and established a functional partnership “business model” relevant to the post-2015 era.

The OECD hosts and supports a wide range of partnerships, and works with over 160 countries. Our Development Centre continues to grow in its membership, and is an important platform for analysis and dialogue on development. For example, earlier this month, Chinese Premier Li Keqiang made a historic visit to the OECD in Paris coinciding with the 20th Anniversary of OECD/China relations. On this occasion, China joined the Development Centre, turning it into an ever more relevant forum to support the discussion on policies for SDG implementation. The OECD also engages with philanthropic organisations through the Development Centre’s Global Network of Foundations Working for Development, which acts as a bridge and broker between philanthropists and policymakers.

We will work to broaden and deepen these and other partnerships going forward as we work with others to support the achievement of the SDGs.

**The SDG era holds great promise – but also great responsibility to make sure that we are on the right path**

Therefore, we need to monitor our progress towards the commitments we make. The OECD stands ready to support its member countries and, where appropriate, partner countries in their reporting on the SDG goals and targets. Measuring progress is part of the Organisation's *raison d'être*. For over ten years, we have been championing the development of new data and indicators to measure the well-being of people today and in the future. The OECD will continue to pioneer the development, dissemination, analysis and use of new and relevant data, and take its full part in the broad data ecosystem that will help ensure that no-one is left behind.

The OECD's expertise, tools, knowledge and partnerships can help, creating synergies between private and public, domestic and international, and donor and partner country resources. There has been a transformation in the way the OECD works on development. The implementation of the SDGs will also require the involvement of all relevant stakeholders as well as a strengthened global partnership based on universality, shared responsibility, mutual accountability, and inclusiveness. It will also necessitate approaches and tools tailored to the

different needs of countries at different levels of development (e.g., middle-income countries and LDCs).

The OECD's multi-disciplinary structure, analytic tools, efforts to promote policy coherence for development, and its dialogue platforms are unique; indeed, they already help address many of the issues covered by the proposed SDGs.

We stand ready to support the international process on every level and in every aspect. The eyes of the world are on us. Let's get it right. We can – and must – deliver *Better Policies for Better Lives*.