February, 9th 2015

Preparatory Process for the 3rd International Conference on Financing for Development
French comments on the « elements » paper

I. Overview

France welcomes the general structure of the elements provided by the co-facilitators and the references to the conclusions of the intergovernmental committee of experts on financing for sustainable development which should be one of the main basis for the discussions in Addis Ababa.

However, the document remains unbalanced in terms of concrete efforts provided by each development stakeholder. The evolution of financing for development strategies, beyond the outdated "North-South" dichotomy, towards a universal agenda should be better reflected in the document. Also, the necessary "end of business as usual" and the need to orientate public and private savings towards sustainable development goals should be better highlighted. To that end, the translation into concrete actions and responsibilities of the "global partnership for sustainable development" could be further detailed.

In a logical consistency between the three processes culminating in 2015, synergies between climate and sustainable development must be addressed at the Addis Ababa conference and further explored at the Post-2015 Summit. France therefore welcomes the cross-cutting inclusion of climate change issues throughout the elements. Nevertheless, the concrete co-benefits between climate finance and sustainable development finance could be stressed in a more systematic manner.

II. Building blocks

a. Domestic public finance

France attaches a particular attention to the promotion of fiscal transparency, domestic resources mobilization, fighting illicit financial flows and strengthening tax administration.

Although public domestic resources have doubled in developing countries since Monterrey, mobilizing public domestic resources and fighting against illicit financial flows are important stakes in the financing for development context. It also represents a major issue of sovereignty for developing states, notably in the perspective of reducing their international assistance dependency. The document contains and emphasizes all these aspects, and underlines the necessity of improving domestic resource mobilization in order to be able to achieve an endogenous, inclusive and sustainable growth.

We fully agree with most of the challenges presented page 4. France is fully committed to address these challenges.

Concerning the recent strengthening of international tax cooperation, a lot of efforts have been done to involve non-G20 developing countries in the definition of the agenda through consultations, forums, symposium, etc. Moreover, G20 Leaders' have committed to work with developing countries to build their administrative capacity so that they can reap the benefits of the work on BEPS and the implementation of the new global standard. A coherent and carefully assessed G20 response has been developed to issues specifically related to developing countries and low income countries. The next step would be to agree on and carry out a multi-year agenda to make sure that developing countries benefit from the major achievements on enhanced tax transparency.

However, France cannot support the proposition to "upgrade the UN Tax Committee into a standing intergovernmental committee". Discussions on these issues are effective and recent works conclusive. We should avoid the duplication of processes that would decrease this effectiveness. We fully agree with the alternative proposition: dialogue with developing countries should be reinforced. A mandate has been given by the G20 to the UN, IMF, World Bank and OECD to that aim.

Urban development is a key challenge for a more sustainable development. Local governments are, and will be to a larger and larger extent, the main decision-level for sustainable development planning and investment in developing and emerging countries. Their decision will impact the type of development that these countries will follow, especially in terms of inclusiveness, environment and climate change. International development finance can significantly contribute to increase and improve both technical and financial capacities, and help address these tremendous challenges. Providing direct financial and technical support to local governments should become one main priority goal in Addis Ababa. This entails better fiscal space for local authorities and should improve beneficiaries' ownership. Local authorities will be at the forefront of the SDGs action agendas, the closest to people needs. Their role in various sectors has already been fully recognized (infrastructure, education, health and other social sectors, in the implementation of the green agenda), but there still remains an obvious lack of access to national resources or international finance for these authorities. Hence, there needs to be a similar recognition in the Addis Ababa outcome document, with the need in particular to increase development finance flows (domestic and international) channeled through cities and local authorities.

We propose the following modifications in the text:

- *Add a reference to "judicial and security cooperation, as one of the key aspects for fighting illicit financial flows". Indeed, the fight against illicit flows not only requires strengthening taxation authorities, the support of customs administration is also important to make it effective.*
- *Add the following element on page ii - Fighting corruption: Encourage States to adhere to the OECD's convention on corruption, which is open to all countries, several non-OECD members having already ratified it.*

- *Make the following amendments on page iii – Strengthening international tax cooperation to tackle tax avoidance and evasion, including IFFs:* ~~Upgrade the UN Tax Committee into a standing intergovernmental committee; *alternatively*, strengthening a participatory broad-based dialogue on international tax cooperation including the UN, G20, IMF, OECD, World Bank and regional forums.~~ *Much work has been undertaken and has proved their efficiency on this issue in different negotiation places, such as OECD's work on BEPS or on automatic exchange of information. Thus, good collaboration with all existing international organizations and fora dealing with those questions (OECD, G20, Global Forum on transparency and exchange of information for tax purposes…) should be ensured in order to increase efficiency and consistency.*

b. Domestic and international private finance

The SDGs will not be achieved without private financing. Leveraging more private flows, for instance by using public-private financing solutions, will be key. Actions are needed to mobilize and unlock the transformative power of private resources to deliver on sustainable development objectives.

States and companies contribute in a complementary way to economic development. And the growing role of the private sector, large corporates but also SMEs leads to a bigger recognition of their social and environmental responsibilities. New private initiatives in favor of sustainable development are a new challenge that should be acknowledged and strengthened.

Private enterprises, especially large multinational corporations, extractive industries, and others should have clear guidelines for taking responsibility for their sustainable development impacts within their business lines and throughout their supply chains.

The responsibilities of the companies shouldn't be ignored or neglected. The Corporate Social Responsibility (CSR) dimension is part of the discussions. The reference to CSR Standards is of paramount importance for France.

The Addis Declaration could focus more on new innovative financing mechanisms, especially Social and Solidarity Economy and inclusive business. Inclusive growth is a key concept to operationalize sustainable development.

Social and Solidarity Economy (SSE) holds considerable promise for addressing the economic, social and environmental objectives and integrated approaches inherent in the concept of sustainable development.

SSE is characterized by organizations, enterprises and networks that are diverse in nature but share common features in terms of development objectives, organizational forms and values. These features point to a model of development that contrasts with the profit-maximization and often corporate-led approaches that have prevailed in recent decades.

SSE provides innovative solutions to economic, social and environmental challenges. Furthermore, it brings into the wider economy such values as solidarity, equity and democratic governance, which can have a transformative impact, and not only in times of crisis. SSE aims to be a full agent of inclusive and fair economic growth, while also fostering social cohesion.

In most developing economies, enhancing the role of the local financial sector is key to achieve economic and social development, through the enlargement of access to credit by economic agents.

It is therefore crucial to contribute to the strengthening of the domestic financial sectors through the following actions:

- Equity participation in private banks. Through equity and quasi-equity participation in local private banks, development banks and financial institutions contribute to more solid domestic financial institutions, enhancing the development of their activities in terms of sectors and geographic areas. Such support has been also critical in the development of microfinance institutions, especially in Africa.

• Long term credit lines to public or private banks: providing long term financing to local and regional banks, including development banks and micro-finance institutions, is an area where the role of international financial institutions has been and will remain useful to unlock barriers to private sector development financing by the domestic sector. Some of these credit lines programs include technical assistance (TA) component to help local financial institutions follow the good practices in terms of financial regulation.

• Risk sharing mechanisms such as credit guarantees to help finance the private sector. SMEs' access to finance remains severely constrained due to the high level of risk perceived by the local banking sector and low level of financial intermediation in developing and emerging economies. Guarantees for development have proven to be efficient in leveraging private finance and flexible instruments to target specific sectors, especially when blended with grants for TA and first-loss crucial components. The financial model of a risk sharing mechanisms needs at its beginning to provide a capacity to use grants for as first loss tranches. Those grants will cover the expected losses of the portfolio. At cruising speed –in volume and sector- the fees invoiced by risk sharing mechanisms can cover cost of risk and operational costs.

We propose the following modifications:

Page IV under "strengthening the sustainable development impact of investment", 4th and 5th items:

The first option should be chosen, the alternative being unnecessary.

- Require companies and asset managers to undertake mandatory environmental, social and governance (ESG) reporting, ~~or alternatively governments determining the appropriate balance between voluntary and mandatory reporting.~~

- Implement the UN's Guiding Principles on Business and Human Rights, core labour standards of the International Labour Organization, and relevant environmental standards, with enforcement and accountability mechanisms; ~~alternatively encourage companies to sign on to principles consistent with socially and environmentally responsible investment.~~

Page VI, **adding a point on "innovative financing mechanisms involving public and private actors"** with the following items would make sense:
- Explore innovative mechanisms allowing leverage effects and optimization of existing resources.
- Promote innovative partnerships between public and private actors, such as social and development impact bonds, aiming at reducing the risks of private investments and focusing on results.
- Incentivize private investments in sustainable development through blended finance mechanisms such as green credit lines granted to local financial institutions.
- Promote Social and Solidarity Economy initiatives aiming at creating business oriented towards the achievement of the three pillars of sustainable development and focused on equity, governance and solidarity.

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c. International public finance

France welcomes the inclusion of ambitious commitments regarding ODA. It **stresses the importance of adding an explicit reference to the principle of differentiation in the allocation of international public finance – that consists in adapting the level of concessionality of the resource according to countries' level of income and the type of project financed**. Graduation to middle income status should however be accompanied with adapted policies to avoid threshold effects.

France remains fully committed to the objective of allocating 0.7% of its GNI to development. **However, we do not support the idea of committing to a specific calendar to meet this target.**

There remains an important financing gap in developing countries, **especially** in LDCs & LICs, and in others countries with substantial amount of investments needed in infrastructure, climate change adaptation and mitigation, health, agriculture, energy, global commons, and so on. France would suggest to emphasize this financing need in the Addis document, and to call for filling the gap with the most concessional flows, with due respect of the IMF/WB debt sustainability framework. Long term concessional finance has a key role to play in spurring economic growth and protecting global commons in developing countries while at the same time ensuring debt sustainability. In that respect, mentioning the recent DAC reform of concessional lending rules in the Addis document would bring more light on this crucial aspect. In last December, DAC members agreed to considerably tighten the constraint to make concessional finance ODA reportable, especially in LDCs & LICs where the required financial effort to pass the ODA eligibility test has more than doubled. They set a new accounting system so as to incentivize donors to more concentrate their long term financial resources in the poorest countries. The reform also ensure a systematic compliance check with IMF & World Bank debt sustainability framework for each concessional loans reported by members.

In order to strengthen the cross-cutting inclusion of climate change in the elements paper, France **recommends to explicitly mention the direct co-benefits between sustainable development and the fight against climate change** which were already highlighted in the SDGs OWG report, the ICEFSD report and the UNSG synthesis report. The synergies between poverty eradication, sustainable economic development, resilience and climate change adaptation and mitigation should be more precisely addressed in order to show how climate finance and more broadly the protection of global public goods benefit to the poorest.
France welcomes the reference to innovative financing in the elements provided by the co-facilitators and the acknowledgement of their potential to achieve sustainable development. We confirm that innovative financing is about (1) **raising more money from a variety of resources** and (2) **mobilizing smarter money to tackle development challenges for development through multi-stakeholder mechanisms**.

Innovative financing is much broader than innovative sources such as solidarity taxes and should not be reduced to these public mechanisms. **We would suggest that the document reflects the important variety of innovative financing mechanisms available and their respective added values for the broader range of actors involved in FfSD**. This includes mechanisms such as the International Finance Facility for Immunization (IFFIm), green bonds and other Socially responsible investments (including sukkuk bonds), blended finance mechanisms, impact investing (Social and Development Impact Bonds), crowdfunding initiatives, micro donation schemes for consumers, parametric insurance schemes, countercyclical loans, debt buy-down or debt swap arrangements, Medicines Patent Pools, etc.

In addition of the existing item in the Monterrey consensus on innovative financing we would recommend to mainstream innovative mechanisms in the whole document as a mean to catalyze private flows by local governments or by the private sector.

Regarding blended finance, one particular form of blending which has been developed over the years and which has still a tremendous potential is the blending, or mixing, of grant and loans resources. Basically, the core business of development banks is indeed to provide long term concessional loans by mixing public grants with private resources raised from the financial market.
Another possibility is to mix grants from one institution with loans from a second institution in order to offer soft financing with lower terms and conditions and enhanced concessionality.
A more comprehensive approach is to target grant resources to finance soft components of development projects, expertise and capacity building, social and environmental impact mitigation costs, investment grants, interest rate subsidies, exchange risk hedging mechanisms, loan guaranties schemes. These grants will also support development of innovative approaches, which may rely either on technological innovation and transfer (such as use of big data in the various sectors, new renewables energies ….) and / or cross-sectorial analysis and projects preparation which implies multi-stakeholders dialogue (such as integrated territorial approach management, circular economy, …). The availability of such grants makes it possible to have transformational effect on the "business as usual" investments and then trigger mobilization of loans from international financial institutions, generally on concessional conditions, providing a grant/loan package for investment financing. These mixed resources can leverage other kind of resources, domestic public (Governments, State owned companies, public banks, Local Governments …) or domestic private (private banks, enterprises …) to meet the needs of the required investment. One particular area where blending mechanisms should be developed is the infrastructure: given the huge investment needs in the next decades in sustainable infrastructures and the reluctance of the private sector the engage heavily in that area, public intervention, especially through an enlargement of Development Banks risks mitigation instruments, will remain key for the effective funding process for long term infrastructure projects.

France does not support the proposition to *"Establish an independent ad hoc advisory body to review the role, scale and functioning of multilateral and regional development banks in support of sustainable development, including mechanisms to accelerate resource transfers in the near and medium term".* MDBs have their own governance and decision processes; and these processes are efficient. The creation of new bodies would bring confusion, be costly and finally not effective.
Concerning graduation, France wishes to highlight the fact that this process enables to target the most concessional resources towards the poorest countries. Concerning the following proposition : "*Review graduation criteria and the limits on access to finance for lower-middle-income countries*", it is not so much the graduation criteria or threshold that should be reformed but the graduation policy, by smoothing the process through the introduction of support measures during the transition period – e.g. technical assistance. Again, MDBs have their own governance and decision processes. These processes should be respected.

Fragmentation is a crucial issue that should be addressed. However, the establishment of new vertical funds in each sector is not relevant so far. This would lead to a monopoly situation that would be prejudicial for all. As an alternative, all stakeholders should work together in order to improve coherence, find synergies and shared objectives, and agree on common action plans.

Moreover, the elements emphasize the role of ODA in various sectors and countries (fiscal capacity, private sector, least development countries, welfare, fight against poverty, climate finance, trade, science…). Such multiplication of priorities could lead a fragmentation of aid and fragilize its efficiency.

For transparency, accountability and credibility issues, international public financing should be tracked, reported and monitored in a harmonized manner, including south-south cooperation.

Therefore we propose the following modifications:

- ***Page 6 - International public finance***
  - *The use of financing instruments and their concessionality should be appropriate to the level of development of each country, their specific conditions, capacities and capabilities, as well as the nature of the project.*
  - *ODA has increased since Monterey but remains below commitments.*
  - *The share of ODA to LDCs, SIDS and other vulnerable countries – countries most in need of concessional financing - has been decreasing.*
  - *The synergies between ODA and climate finance can be further enhanced.*
  - *Additionality of ODA and climate finance.*
  - *Monitoring of other official flows is weaker than monitoring of ODA.*
  - *Progress has been achieved in increasing development effectiveness, but further efforts are needed.*
  - *The potential for results-based ODA or other official flows merits further investigation.*

- ***Page v- Strengthening the intergovernmental follow-up process:***

  Meeting ODA commitments:
  - *Reaffirm existing ~~All developed countries meet the~~ 0.7 target.*
  - ~~*Set concrete and binding timetables to meet commitments.*~~

  Increasing the share of ODA to LDCs and other vulnerable countries, and to the most vulnerable households:
  - *Allocate a specific share of ODA to LDCs and other vulnerable countries, either individually or collectively.*
  - *Reaffirm existing targets for LDCs with binding timetables.*
  - *Establish a fund from ODA grants to help finance social protection floors in the poorest countries.*
  - *Focus ODA where the capacity to raise resources is weakest, including LDCs, SIDS, LLDCs, with a sufficient portion of ODA concentrated on the eradication of extreme poverty, as well as the reduction of all forms of poverty and meeting other basic social needs. ~~Focus ODA on poverty eradication and on the poorest and most vulnerable countries and households.~~*
  - *In other countries and sectors, promote the use of ODA to attract additional flows and integrate the three dimensions of sustainable development*

  Enhancing synergies between ODA and climate finance while ensuring that ODA is not diverted from the poorest households and countries:
  - *Ensure increased coherence and strengthened linkages of ODA to the three pillars of sustainable development, among other things by climate proofing ODA.*
  - ~~*Ensure additionality by increasing both climate finance and ODA net of climate finance.*~~
  - *Ensure increased coherence and strengthened linkages of ODA to the three pillars of sustainable development.*

  Improve the monitoring of other official flows:

- *Hold open and transparent discussions in the United Nations of the proposed modernization of the ODA definition and the proposed indicator of "total official support for sustainable development (TOSD)".*
- ~~*Ask the United Nations, in cooperation with relevant stakeholders, to monitor and report on statistical indicators of financial and technical cooperation for sustainable development by all official providers and, separately, for development assistance from foundation and other non-governmental providers.*~~
- *Promote the use of international public finance to leverage other sources of financing, including public, private, and innovative sources of financing.*

- ***Page vi – Implementing innovative financing sources and mechanisms on a larger scale:***
  - *Encourage countries, development institutions, and civil society organizations to join the Leading Group on Innovative Financing for Development.*
  - *Encourage countries to implement the International Solidarity Levy on Air Tickets; explore options for a financial transaction tax in additional countries; for a carbon tax; for taxing fuels used in international aviation and maritime activities; for implementing additional tobacco taxes; for creating microfinance funds and micro donation schemes for consumers.*
  - *Encourage ~~developed countries to raise resources from~~ the implementation of innovative mechanisms for sustainable development based on public and private partnerships aiming at optimizing existing resources through incentives and leverage effects. Explore the scaling-up of existing options such as the International Finance Facility for Immunization (IFFIm), green bonds and other Socially responsible investments (including sukkuk bonds), blended finance mechanisms, impact investing (Social and Development Impact Bonds), parametric insurance schemes, countercyclical loans, debt buy-down or debt swap arrangements, Medicines Patent Pools, etc.*
  - *~~, including for~~ Promote innovative financing for regional and international public goods, e.g. infectious disease control, agriculture research, and climate change mitigation.*

In the ICESDF report, there is a focus on intermediaries, the structure transforming resources into sustainable development intervention (or expenditure). The role of these intermediaries needs to be strengthened to increase development finance efficiency, and the outcome document should insist on the importance of these actors. The document could then propose recommendations to strengthen financing mechanisms of these actors, and to fully recognize their important role.

d. Trade

France attaches a lot of importance to the Aid for Trade initiative. This is the reason why France will remain committed to continue providing effective support in the context of the AfT initiative. In order to help LDCs tap increased market access opportunities for the benefit of development and poverty alleviation, ensuring a good articulation between trade and development is necessary. For this reason, France considers critical to dedicate sufficient attention to strengthening productive capacity, addressing capacity constraints, and pursuing efforts in support of the development of infrastructure. It is also critical to see aid for trade in its broader context: bringing together the broad community engaged in Aid for Trade policy and implementation is necessary for better results. At a time where our partners are trying to mobilize new sources of financing, it is essential we not only encourage new donors to step up their engagement, but above all we also see it critical to better involve the private sector. Encouraging all the relevant stakeholders to participate in the AfT initiative is all the more critical since AfT cannot be seen as additional. AfT is a part of ODA. As a part of ODA, AfT also needs to be efficient and principles such as ownership and alignment are essential.

Hence, we propose the following modifications:

D. Trade (page 10)

• Sustainable development-oriented multilateral trade rules shall be further developed ~~have not been agreed~~, ~~and other trade agreements are not aligned with sustainable development.~~

• Regional and interregional agreements shall not ~~have the potential to~~ fragment the policy environment and undermine sustainable development strategies.

• Investment agreements and investor-state dispute settlement processes shall not ~~have~~ come into conflict with sustainable development policies and plans.

• Make the following amendments and **suppress the following elements on page vii** – Aid for Trade commitments could be made more efficient ~~have not been met and are not sufficient~~, and disbursements should be ~~un~~evenly distributed :

~~•~~ Make Aid for Trade ~~additional,~~ predictable and equitably distributed.

~~• Increase the grant component of AfT~~

e. Technology and innovation

A more conducive environment for **technological progress** and the promotion of innovation should also be implemented in developing countries to raise local capacities for the development challenges. This can include strengthening intellectual property regimes, as well as strengthening local supporting infrastructure (regulations, incubators, incentives, capacity) to innovation. A more business-friendly environment will foster trade and development which are historically the main sources of technology investments and transfers.

At the UN level, there is scope for improving access to information on existing technology mechanisms and promoting coherence and coordination between them. In this perspective, we are not in favor of creating another transfer mechanism in order to avoid duplication with existing mechanisms. We would prefer establishing an online platform, based on existing initiatives and networks.

f. Sovereign debt

As regards debt crisis prevention, France is of the view that all stakeholders should commit to ensure that financing decisions remain consistent with long-term debt sustainability. In this regard,

- We should recall the need for all stakeholders to "promote responsible borrowing and lending practices" since preserving long-term debt sustainability is a shared responsibility of lenders and borrowers.

- To this end, we should encourage the use of the joint IMF/World Bank Debt Sustainability Framework by creditors and debtors and recall the need "to increase information-sharing and transparency" to make sure that debt sustainability assessments are based on "comprehensive, objective and reliable data";

- We also support stronger dialogue among creditors and debtors on debt related issues, and would like to recall that it is the main objective of the Paris Forum, a recently initiated by the Paris Club.

In this regard, we welcome the co-chair's report, which is balanced.

As regards debt resolution/debt restructuring, France agrees that the drastic rise in creditor litigations during and after sovereign debt restructurings has become an important challenge for the orderly resolution of debt crises. Against this background, coordination between stakeholders is more than ever necessary so that sovereign debtors can ensure fair, orderly and good-faith debt restructuring negotiations.

However, we do not support the idea of creating a new "sovereign debt forum" while equivalent entities exist and provide appropriate responses.

Instead of duplicating the process, we recommend to support the existing mechanisms and processes:
- "Sovereign debt forum" forum in Paris (created by the Paris Club), facilitates discussions between the various stakeholders;
- UN-supported MFIs Intergovernmental Committee: discussions held in the General Assembly of the United Nations has already failed to rally enough support while the IMF has already made concrete proposals;

In terms of resolution, we encourage the strengthening of the contractual approach to sovereign debt restructuring, on the basis of the IMF's work which call for a strengthening of collective action clauses and a redefinition of the pari passu clause. We also advocate that the relevant financial institutions (IMF and World Bank) closely follow their implementation, and monitor closely these "vulture funds" potential litigating activities especially during the transition period, and with a particular attention to the situations of more vulnerable countries.

g. Systemic issues

France cannot support the following sentence: "Furthermore, despite some progress, representation in international financial regulatory bodies, such as the Financial Stability Board, remains limited". The reform of the FSB was decided last November. This reform provides a better participation of developing countries.

Concerning the use of SDRs:

- "*Implement SDRs as the main international reserve asset*". The role of SDRs could be reinforced, but they should not become the main international reserve asset.

- France does not support the following proposition: *"systemically issue SDRs, with a development dimension in the allocation"*. The objective of SDRs is financial stability, not supporting development

III. Monitoring, data and follow-up

France supports the necessity to reach an agreement on a monitoring and accountability framework for development finance, in accordance with the SDGs. This framework should be based on existing efforts made by all the stakeholders involved in the process, and notably in the GPEDC.

The GPEDC could more specifically contribute to the implementation and the monitoring of the SGD 17 on MoIs. Busan's commitments follow-up could for example be part of the monitoring of the SDG 17. Actually strengthening gender policies, aligning with beneficiaries' policies and financing climate change are commitments that were already taken and monitored by the Busan process.

Concerning the monitoring and the reporting of financing for development, the following propositions are not acceptable as such: (i) *"Hold open and transparent discussions in the United Nations of the proposed modernization of the ODA definition and the proposed indicator of "total official support for sustainable development (TOSD)" ;* (ii) *"Ask the United Nations, in cooperation with relevant stakeholders, to monitor and report on statistical indicators of financial and technical cooperation for sustainable development by all official providers and, separately, for development assistance from foundation and other non-governmental providers".* The OECD DAC is the relevant institution to establish ODA statistics and related rules. Of course, it should keep on associating all relevant countries and stakeholders to its work aiming at improving data on development cooperation.

Moreover, all sustainable development financing should be tracked, reported and monitored in order to ensure transparency, accountability and the credibility of the future development agenda. It is important to keep track of other private flows that are playing an important part in covering development countries' needs – notably to finance adaptation and mitigation and more broadly the sustainable agenda. Finally, the new monitoring system should cover as much relevant stakeholders as possible – either public or private.

We then propose the following modifications:

- ***Page 11 - III-Monitoring, data and follow-up:***
    - *One question for the FfD process is to agree on a suitable monitoring framework and processes to ensure the right data and analysis is available for mutual accountability purposes. It needs to ensure its relevance to the review process for the post-2015 agenda, and achieve effective linkages to UN's and other processes and bodies, in particular the High-level Political Forum on Sustainable Development, the Global partnership for effective development cooperation (GPEDC), to the institutional stakeholders and other MDBs and IFIs, the OECD, and the Financial Stability Board (FSB), amongst others, as well as effective engagement with other stakeholders, including civil society and the business sector.*

- ***Page xi- Strengthening the intergovernmental follow-up process:***

Set up a dedicated intergovernmental or expert body, inclusive of institutional stakeholders, to monitor FfD commitments at the global level. This could be underpinned by the GPEDC and OECD efforts on monitoring matters.

- *Ensure complementarity and integration of the FfD follow-up mechanisms with other related processes, in particular the High-level Political Forum on Sustainable Development, and the Global partnership for effective development cooperation, the Development Cooperation Forum, within a coherent and streamlined system.*

- ***Page x : Monitoring commitments effectively:***
    - *Convert the inter-agency MDG Gap Task Force report into an annual report on progress towards implementing FfD/SDG 17 at the global level.*
    - ~~*Adopt indicative financing needs for the SDGs.*~~
    - *Monitor national progress towards FfD/SDG 17 commitments, and reporting globally.*
    - *Institutionalize participatory peer reviews on implementation of FfD, including sectoral areas of commitments.*
    - *Track progress in aligning international trade rules, financial rules and other policies with the SDGs.*
    - *Call on G20 to annually assess and report on its members' implementation of FfD commitments.*