

IMPACT OF THE INTERNATIONAL FINANCIAL ARCHITECTURE ON THE SUSTAINABLE DEVELOPMENT GOALS.



A stable international system is a foundation of national economic growth and sustainable development. Financial shocks and crises set back progress on social goals, increasing poverty and hunger. High debt servicing can lower spending on health, education, social protection and other social priorities. Sustained economic growth is also the basis of domestic public resource mobilization, which is essential to finance public goods and services. Domestic resource mobilization also needs effective international tax cooperation to prevent tax evasion.



Reforming international financial institution governance can reduce inequalities in the representation and voice of developing countries in global economic decision-making. Excessive financialization also contributes to inequality. The international financial architecture includes the standards for the regulation and monitoring of financial markets and institutions.



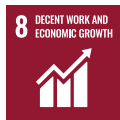
Dedicating more finance to resiliency will reduce the losses from disasters. Investment in urban infrastructure can be boosted by the public development bank system.



Entrenched gender biases affect the design and functioning of all aspects of the international financial system. Gender equality objectives should be part of international leadership selection and the mandates and accountability metrics of multilateral development banks.



Climate change and environmental sustainability need to inform all aspects of the international financial architecture. Climate- and environment-related standards and metrics should inform business, finance, investment, and financial regulation including standards set at the international level. Systemic coherence is between environmental standard setting and economic management is essential.



Developing countries have massive investment needs to deliver infrastructure, including for water, sanitation, and clean energy. A reformed international financial architecture should deliver affordable, long-term financing for such investments.



Increased productive investment also drives growth and sustainable industrialization. Preventing debt and financial crises contributes to decent work and helps the financial system to sustainably expand access to financial services for all.



Financial integrity is a core requirement for a sustainable international financial system. Strengthening international financial integrity standards and their implementation will reduce corruption, boost trust, and enhance the social contract. A reformed international financial architecture should also provide concessional financing for conflict affected countries.



Finance issues are central to the partnerships for the goals and the means of implementation. Reforming the global tax architecture can enhance domestic revenue mobilization. Donors can channel official development assistance commitments through multilateral development banks. Reforms to the debt architecture aim at attaining long-term debt sustainability.