United Nations A/71/88–E/2016/68

General Assembly
Economic and Social Council

Distr.: General
13 May 2016

Original: English

General Assembly
Seventy-first session
Item 18 of the preliminary list*
Follow-up to and implementation of the outcomes of the International Conferences on Financing for Development

Economic and Social Council
2016 session
24 July 2015-27 July 2016
Agenda item 11 (a)
Implementation of and follow-up to major United Nations conferences and summits: follow-up to the International Conference on Financing for Development

Summary by the President of the Economic and Social Council of the forum on financing for development follow-up, including the special high-level meeting with the Bretton Woods institutions, the World Trade Organization and the United Nations Conference on Trade and Development (New York, 18-20 April 2016)

I. Introduction

1. The Economic and Social Council forum on financing for development follow-up, including the special high-level meeting with the World Bank, the International Monetary Fund (IMF), the World Trade Organization (WTO) and the United Nations Conference on Trade and Development (UNCTAD), was held in New York from 18 to 20 April 2016. The forum was chaired by the President of the Economic and Social Council, Oh Joon (Republic of Korea). The overall theme of the forum was "Financing for sustainable development: follow-up to the Addis Ababa Action Agenda of the Third International Conference on Financing for Development".

2. The inaugural forum brought together a large number of high-level participants, including 17 ministers and vice-ministers, as well as many high-level government officials in the areas of finance, foreign affairs and development cooperation. An unprecedented number of World Bank Group and IMF Executive Directors, as well as senior officials of the United Nations system and other international organizations, attended the forum. Civil society organizations and the private sector were also strongly represented in the forum.

* A/71/50.

3. The inaugural segment of the forum featured an opening address by the Secretary-General, video messages by the Managing Director of IMF and the Director General of WTO and statements by the Senior Vice-President of the World Bank, the Administrator of the United Nations Development Programme (UNDP) (on behalf of the United Nations Development Group), the Under-Secretary-General for Economic and Social Affairs (as Chair of the Inter-Agency Task Force on Financing for Development), the Secretary-General of UNCTAD and the Executive Secretary of the Economic and Social Commission for Asia and the Pacific (on behalf of the five regional commissions). In addition, statements were delivered by the heads of relevant intergovernmental bodies, including the Chair of the Joint World Bank/IMF Development Committee, the President of the Trade and Development Board of UNCTAD and the Acting Secretary of the International Monetary and Financial Committee of IMF.

4. A salient feature of the inaugural segment of the forum was the interactive dialogue with the representatives of intergovernmental bodies and senior management of the World Bank, IMF, UNCTAD and UNDP on two themes: (a) policy coherence in implementing the Addis Ababa Action Agenda; and (b) humanitarian and development nexus.

5. The general segment of the forum was organized around six round tables on the following themes: “Global framework for financing sustainable development”; “Domestic and international public resources”; “Domestic and international private business and finance”; “Debt and systemic issues”; “Trade, science, technology, innovation and capacity-building”; and “Data, monitoring and follow-up”. In addition, a panel discussion was dedicated to the outcome of the Global Infrastructure Forum.

6. The participants had before them a note by the Secretary-General on monitoring commitments and actions in the Addis Ababa Action Agenda of the Third International Conference on Financing for Development (E/FFDF/2016/2). The inaugural 2016 report of the Inter-Agency Task Force on Financing for Development, *Addis Ababa Action Agenda: Monitoring Commitments and Actions*, provided major substantive input.

II. Opening of the forum on financing for development follow-up

7. The opening of the forum featured statements by the President of the Economic and Social Council, the Secretary-General, the Managing Director of IMF, Christine Lagarde, the Director General of WTO, Roberto Azevêdo, and the Senior Vice-President for the 2030 Development Agenda, United Nations Relations, and Partnerships of the World Bank Group, Mahmoud Mohieldin, who spoke on behalf of the President of the World Bank.

8. The President of the Economic and Social Council emphasized the mandate of the forum to discuss the follow-up and review of the financing for development outcomes and the means of implementation of the 2030 Agenda for Sustainable Development. In that context, the forum would perform four unique functions. First, it would serve as the primary platform for policy dialogue on financing for development follow-up to assess progress, identify challenges and facilitate the delivery of the means of implementation. It would also promote sharing of lessons learned at the national and regional levels while addressing new and emerging topics. Second, the forum would provide a platform for concrete action and would

result in intergovernmentally agreed conclusions and recommendations to guide the implementation of the Addis Ababa Action Agenda. Third, the forum would enable broad engagement by relevant stakeholders, as well as Member States. Fourth, it would carry out its work in accordance with an evidence-based approach, with the report of the Inter-Agency Task Force serving as the major analytical input for consideration.

9. The Secretary-General stressed the collective responsibility to turn the 2015 landmark agreements into tangible actions. The financing requirements to achieve the Sustainable Development Goals were estimated to be in the order of trillions of dollars annually. Mobilizing those resources would be a significant challenge, particularly at a time of continued economic uncertainty and financial constraints. The global response must match the scope of the challenge. The Addis Ababa Action Agenda provided a comprehensive financing framework that, if fully implemented, would realign financial flows and policies with economic, social and environmental priorities. He called for the implementation of the new “social compact” enshrined in the Action Agenda to provide social protection and essential public services for all, as well as greater investments in sustainable and resilient infrastructure. While South-South cooperation was driving innovation and demonstrating its effectiveness in many developing countries, official development assistance (ODA), especially to the least developed countries, remained crucial. Finance was also the key element in delivering on the new Paris Agreement and helping countries to implement their national climate plans.

10. Ms. Lagarde expressed the commitment of the Fund to the full and timely implementation of the Addis Ababa Action Agenda and highlighted a range of action taken by IMF with a view to promoting macroeconomic stability, improving taxation, tackling climate change and supporting inclusive economic growth. In terms of macroeconomic stability, IMF continued to advise countries on their national frameworks and potential spillover effects. She noted the progress made in international tax cooperation, due largely to the base erosion and profit shifting initiatives, and called for focusing on improving national tax frameworks with a view to increasing tax revenues. Regarding climate change, IMF would continue to pursue research and provide technical assistance on subsidy removal strategies and the proper taxation of externalities, including through carbon taxation. Ms. Lagarde called upon Governments to target their spending properly, including on the education of young people, in particular girls, in order to achieve inclusive and sustainable growth.

11. Mr. Azevêdo highlighted the importance of the forum in ensuring coherence between the implementation of the financing for development outcomes and the 2030 Agenda. He highlighted the active involvement of WTO in the work of the Inter-Agency Task Force, especially in the area of trade. Given the complexity of achieving both the Addis Ababa Action Agenda and the Sustainable Development Goals, the report of the Task Force included a number of proposals aimed at determining the contribution of the multilateral trading system in specific areas, including special and differential treatment for developing countries and the least developed countries, issues in fisheries and agriculture, access to affordable medicines and the implementation of the outcomes of the WTO ministerial conferences held in Bali and Nairobi. According to him, recent developments in WTO had been encouraging. For example, in December 2015, Governments agreed on the most significant reform of global agricultural trade in the history of WTO

and made progress on preferential rules of origin and the implementation of preferential treatment in services for the least developed countries.

12. Mr. Mohieldin stressed the need to fully implement the landmark United Nations agreements of the previous year. Implementation required good data, skilful delivery and solid financing, including preparedness for shocks and natural disasters and the capacity to respond to crises of all kinds. The World Bank Group was deeply engaged in the financing for development process, including by taking an active part in the Inter-Agency Task Force. The World Bank Group, other multilateral development banks and IMF were working together to use shareholder capital, innovative financing solutions, knowledge and convening power to catalyse and "crowd in" additional public and private sector resources. The Group also worked on strengthening domestic resource mobilization capacity through the joint initiative with IMF on strengthening tax systems in developing countries. According to him, another crucial aspect of the financing for development agenda was infrastructure financing. In that context, he highlighted the launch of the new Global Infrastructure Forum. He emphasized that the Group remained committed to attracting investment in societies and markets affected by conflict, climate change or migration.

III. Statements by institutional stakeholders

13. Statements were made by the Chair of the Joint World Bank/IMF Development Committee, Bambang Brodjonegoro (Indonesia); the President of the Trade and Development Board of UNCTAD, Alfredo Suescum A. (Panama); and the Acting Secretary of the International Monetary and Financial Committee of IMF, Calvin McDonald. Keynote presentations were also delivered by the Administrator of UNDP and Chair of the United Nations Development Group, Helen Clark; the Under-Secretary-General for Economic and Social Affairs and Chair of the Inter-Agency Task Force, Wu Hongbo; the Secretary-General of UNCTAD, Mukhisa Kituyi; and the Executive Secretary of the Economic and Social Commission for Asia and the Pacific, Shamshad Akhtar.

14. Mr. Brodjonegoro referred to the current "forward look" exercise of the Development Committee, during which proposals would be developed to ensure that the World Bank Group remained responsive to diverse client needs, made "billions to trillions" a reality, partnered with the private sector, became a more effective development partner and adapted its business model accordingly. To implement the Addis Ababa Action Agenda, the Committee called for crowding in the private sector and boosting domestic resource mobilization, including by tackling illicit financial flows. It urged the Group and IMF to become more effective in fragile and conflict situations through strengthened operational capacity in affected countries, better-tailored capacity development activities, incentives and enhanced security for staff and innovative financing and resourcing. The Committee also called for the modernization of the World Bank's Environmental and Social Framework, to be finalized by August 2016.

15. Mr. Suescum explained that UNCTAD, as an institutional stakeholder of the financing for development process, could play an important role in revitalizing the multilateral trading system, serving as a forum in which to exchange ideas and approaches to advance the WTO process and better integrate the multilateral trading system into the other pillars of global economic governance. He noted the

importance of international investment agreements and the broad interest in improving the investor-State dispute prevention and settlement system to promote an environment conducive for development. He recommended that UNCTAD and the regional commissions adequately cover financing for development issues in their intergovernmental programmes of work to ensure that the full breadth of experience and knowledge in the United Nations system was harnessed.

16. Mr. McDonald highlighted that the Committee called for a general three-pronged approach spanning structural, fiscal and monetary policies to address current economic challenges. A strong global financial safety net that protected countries from sudden liquidity shortages or external shocks would be important. Moving forward, the Fund would have three strategic priorities. First, it would identify fiscal space and propose measures to improve the policy mix. Second, it would provide financial support, when needed, with instruments suited to the evolving needs of member countries. Finally, it would help to address new challenges. The Fund would also undertake a number of reforms, including strengthening coordination with regional financing arrangements, revisiting the lending toolkit and considering further support for countries affected by the decline of commodity prices, refugee crises, epidemics and natural disasters.

17. Ms. Clark noted that the forum on financing for development follow-up must drive forward a clear plan for monitoring and reporting. At each annual forum, the international community could take stock of progress; consider who was being reached and who risked being left behind; and share experiences about innovative approaches to financing sustainable development. The United Nations Development Group could provide further support to implementation in a number of ways. First, UNDP would showcase the range of innovative financing approaches through its country-level work. Second, the United Nations development system could be a key partner to countries in building strong national ownership. Third, UNDP could support countries in building the broad coalitions and partnerships called for in the Addis Ababa Action Agenda. Fourth, UNDP would intensify its focus on the poorest and most vulnerable countries. Lastly, in partnership with the Organization for Economic Cooperation and Development (OECD), UNDP would continue to advance the Tax Inspectors without Borders initiative, which supported developing countries in building their tax audit capacities.

18. The Under-Secretary-General for Economic and Social Affairs launched the inaugural report of the Inter-Agency Task Force, noting that it mapped out the commitments in the Addis Ababa Action Agenda and their relationship to the means of implementation of the Sustainable Development Goals. It also presented the monitoring framework and data sources that would enable annual progress assessments. The report highlighted where the means of implementation targets were integrated into the broader financing framework. He concluded with three observations. First, the evolving global context called for flexibility in the follow-up process and the themes that it addressed. Second, given the comprehensive and complex nature of the financing for development outcomes, the Task Force proposed including an online appendix to address a broader set of commitments in addition to the report. Finally, further guidance from Member States would be needed to assess options for country reporting in the financing for development process and how it would relate to the Sustainable Development Goals.

19. Mr. Kituyi stated that, while substantial flows of foreign direct investment were anticipated to fill some of the financing gaps towards attaining the Sustainable Development Goals, UNCTAD research had raised concerns, such as the lack of investment in greenfield projects, the preponderance of mergers and acquisitions as a main form of investment, the collapse of investment in some commodity-dependent economies, and limited positive recovery and trade in the Middle East, Africa and Latin America. Those factors had a significant impact on the ability of Governments to reach the ambitions of the Addis Ababa Action Agenda. In concluding, he acknowledged the need to pay sufficient attention to monitoring, data and sound statistics but argued that those were only secondary to good implementation. He invited participants to engage in the fourteenth session of UNCTAD.

20. Ms. Akhtar reviewed priorities in the implementation of the Addis Ababa Action Agenda, such as mobilizing domestic resources, overcoming gaps in infrastructure financing, implementing sound macroprudential policy frameworks and tools to address financial vulnerability, and enhancing debt sustainability management. She emphasized the need to combat illicit financial flows and to promote global partnerships for countries in special situations. After recapping important initiatives at the regional level to address those priorities, she concluded by recommending that the global follow-up and review process more comprehensively recognize the role of the regional commissions.

IV. General debate

21. During the general debate, more than 50 government representatives, including 17 ministers and vice-ministers, made statements. Representatives of United Nations agencies, civil society organizations and the private sector also spoke. Joint statements were delivered by the Group of 77 and China, the European Union, the Group of African States, the Caribbean Community, the Alliance of Small Island States and a group of countries in support of middle-income countries.

22. Delegations welcomed the forum on financing for development follow-up as a significant milestone in the implementation of and follow-up to the Addis Ababa Action Agenda and the 2030 Agenda. They reaffirmed the centrality of the former in accelerating progress on financing sustainable development and called for strengthened cooperation in implementing all of its action areas in a full and balanced manner, leaving no one behind. Many delegations also recognized that the forum was instrumental in paving the way for a successful high-level political forum on sustainable development, to be held in July 2016.

23. Many speakers agreed that significant progress had been made in implementing the financing for development outcomes but that much more needed to be done to translate commitments in the Addis Ababa Action Agenda into concrete actions. A number of delegations stressed the need to ensure adequate balance between an enabling international environment, global partnership for development and domestic resource mobilization. Policy coherence, mobilization of financing from a variety of sources and aligning financial flows with sustainable development objectives were seen as crucial. Implementation must go beyond finance and cover policies as diverse as good governance, trade, private sector engagement and gender equality. Member States expressed their commitment to formulating policies that would facilitate integration of both the Addis Ababa Action Agenda and the 2030 Agenda into their national plans and priorities.

24. Member States welcomed the inaugural report of the Inter-Agency Task Force and agreed on the proposed three-pronged approach comprising a brief discussion of the global context, a concise overview of each chapter with updated data and new initiatives and a discussion of specific thematic issues, drawing on input from the seven action areas of the Addis Ababa Action Agenda. Recognizing that monitoring required accurate measurements and updated reporting from all stakeholders, delegates noted that annual reporting on progress by the Task Force would be essential to ensure coherence among different actors, identify gaps and best practices and make recommendations for future action.

25. While recognizing that all sources of financing were important to achieve sustainable development, delegates stressed that ODA remained an essential component of international development cooperation and that the fulfilment of all ODA commitments was crucial. Concern was expressed about the continued fall in ODA to the least developed countries. Inadequate resources exacerbated by illicit financial flows, discriminatory trade rules, high debt burden, systemic issues and lack of capacity were highlighted as additional obstacles to sustainable development. Some delegations pointed out the unique challenges faced by African countries, the least developed countries, landlocked developing countries and small island developing States, as well as middle-income countries and countries in conflict and post-conflict situations.

26. Participants noted that the international community was facing serious economic and humanitarian challenges, with a wide gap between needs and resources. Innovative and comprehensive approaches were required to raise additional financing for sustainable development. There was broad consensus that South-South cooperation had proved to be an important supplement to North-South and triangular cooperation. Some speakers highlighted the potential of remittances, urging the international community to reduce the associated transaction costs. The importance of private investment, tax revenues and philanthropy was also emphasized.

27. Member States recognized that capacity development was of great importance in addressing the specific needs of developing countries and should reflect their national sustainable development strategies and priorities. A call was made for increased international support and the establishment of multi-stakeholder partnerships to implement effective and targeted capacity-building in developing countries. In that regard, some Member States called for enhanced engagement on the part of major international institutions, including the United Nations Industrial Development Organization and UNCTAD, in providing technical assistance and expertise in the areas of industrialization and trade and investment.

28. It was noted that developing countries should have a stronger role in international economic decision-making, norm setting and global governance. Calls were made for scaling up international tax cooperation and for greater transparency in financial flows. Tax evasion and money-laundering represented a threat to international stability and development, and participants committed to working together in the fight against illicit financial flows. Many participants endorsed efforts to assist developing countries in attaining long-term debt sustainability, including measures aimed at fostering debt financing, debt relief, debt restructuring and sound debt management. Stressing that international trade and investment were engines for development, several speakers called for the prompt conclusion of the Doha Round of multilateral trade negotiations.

29. Delegations welcomed the launch of the Global Infrastructure Forum and acknowledged the establishment of the Technology Facilitation Mechanism, as called for in the Addis Ababa Action Agenda. Other early achievements of the commitments under the Action Agenda include ambitious targets to reduce greenhouse gas emissions, supporting the private sector in developing countries and investing in women's economic empowerment.

V. Interactive dialogue on fostering policy coherence in the implementation of the Addis Ababa Action Agenda

30. The interactive dialogue was chaired by the President of the Economic and Social Council, Oh Joon, and moderated by Eliza Anyangwe of the Guardian News and Media and CNN International. Opening remarks were delivered by the President of the Council; the Dean of the Board of Executive Directors of the World Bank Group, Merza Hasan; the Dean of the Board of Executive Directors of IMF, Aleksei Mozhin; and the President of the Trade and Development Board of UNCTAD, Alfredo Suescum A.

31. The President of the Economic and Social Council explained that the innovative format of the dialogue was designed to respond to the mutual desire of the Council and the Executive Boards of the World Bank Group and IMF to strengthen their interaction within the framework of the forum on financing for development follow-up. Mr. Hasan welcomed the efforts of the Council to strengthen the dialogue, making it more inclusive and interactive. Highlighting the emerging global challenges, in particular the humanitarian crisis, he noted that the Bank had redesigned its modalities and country-specific approach to become more dynamic. The Bank also saw the need to more strategically use its concessional resources by focusing more on leveraging the private sector, while strengthening partnerships with other actors, including the United Nations. Mr. Mozhin stressed the commitment of IMF to the implementation of the Addis Ababa Action Agenda and noted that, during the IMF/World Bank meetings held in April 2016, ministers and governors committed to upgrading their efforts to secure sustained economic growth. In addition, new initiatives had been developed to complement the Fund's traditional role of fostering sustainable economic growth and financial stability. Mr. Suescum pointed out that the scope and ambition of the new Agenda increased stakes and challenges, which warranted unprecedented collaborative efforts among institutions. It was important that the United Nations system avoid duplication at both the Secretariat and intergovernmental levels. He underscored the value of bringing together trade, finance and development ministers so that coherence was addressed in both substance and format.

32. The dialogue addressed two themes: (a) policy coherence in implementing the Addis Ababa Action Agenda; and (b) humanitarian and development nexus. Under the first theme, the lead discussants were: the World Bank Group Executive Director for the United States of America, Matthew McGuire; the Chair of the IMF Executive Board Committee on Liaison with the World Bank, the United Nations and other International Organizations and IMF Executive Director for Canada, Ireland and the Caribbean, Serge Dupont; and the Vice-President of the Economic and Social Council, Héctor Alejandro Palma Cerna (Honduras).

33. Mr. McGuire argued that policy coherence required conceptual clarity. The world had a solid sense of how to move forward in general terms, for example on domestic resource mobilization, but progress needed to be made in crowding in private capital to support the attainment of the Sustainable Development Goals through the use of relevant tools and financial instruments. Regulatory harmonization for the new tools and actors, such as crowdfunding entrepreneurs and diaspora investment funds, was important. Mr. Dupont recalled the Fund's core responsibility to promote monetary and financial stability, as well as its three business lines, namely surveillance and policy advice; lending; and capacity development and technical assistance. He presented the IMF initiatives to implement the 2030 Agenda, including expanding its concessional lending facility by 50 per cent and setting the interest rate to zero on its rapid credit facility, both of which targeted low-income countries. The Fund would feature more domestic revenue mobilization in its surveillance work, expand its capacity-building activities and work on such issues as infrastructure, gender and climate change. Following the 2010 quota reform, the Fund would embark on the fifteenth quota review, to be completed by its annual meeting in 2017. Mr. Palma Cerna highlighted the distinct challenges of middle-income countries. He argued that the per capita income-based category did not reflect the multidimensional nature of poverty. In that connection, he asked the representatives of the World Bank and IMF to elaborate on mechanisms that had been established and actions that had been taken to consider the specific challenges of middle-income countries. He also raised a question as to how to engage non-State actors to become fully fledged development partners.

34. In the ensuing interactive discussions, it was noted that coherence needed to be implemented at the institutional and project levels. It was also critical to support the tools and the development of local expertise to achieve bankability at the project level. Member States were called upon to stay open-minded and act on the ideas that had emerged from the forum. In view of the overwhelming attention to monitoring and review, participants were reminded of the importance of follow-up in the form of normative policy discussions.

35. With the focus brought to national implementation, a World Bank Executive Director asked whether international institutions were providing coherent support for country implementation and whether those efforts were successful. In response, Governments confirmed their readiness to work with international organizations to implement the Addis Ababa Action Agenda. National efforts to expand the tax base and the need to remove harmful trade-distorting subsidies were emphasized. Noting the ongoing challenges of low commodity prices and high unemployment rates, industrialization and addressing illicit financial flows were seen as high priorities. A call was also made for greater policy space for developing countries in the light of the impact of free trade and investment agreements.

36. Several questions regarding institutional adaptation were addressed to the Executive Directors. The Dean of the Board of Executive Directors of the World Bank Group reaffirmed that the Bank was changing its way of engaging with countries by studying country situations and encouraging the private sector to support national development with such instruments as guarantees. Likewise, IMF had taken an approach sensitive to country circumstances and continued to assess the fitness of its toolkit on the basis of crystallized risks. One of the examples was its increased engagement in the area of gender, as women's empowerment had been seen as a productivity-boosting factor and as macroeconomically important.

37. To enable global policy coherence, it was emphasized that some shared understanding of the Sustainable Development Goals and some basic concepts, for example how to leverage the private sector, should be developed among institutions. A related question was the institutional set-up to allow for the development of such shared understanding. Since the implementation of the Addis Ababa Action Agenda went beyond ODA, the coordination arrangements must also go beyond the aid community. To that end, the forum was seen as an appropriate platform. However, to achieve real progress, more engagement among global institutions, beyond its annual exchange, was needed.

38. Under the second theme, the lead discussants were: the Vice-President of the Economic and Social Council, Jürg Lauber (Switzerland); and the World Bank Group Executive Director for Denmark, Estonia, Finland, Iceland, Latvia, Lithuania, Norway and Sweden, Satu Santala.

39. Mr. Lauber stressed the need to bridge the humanitarian and development divides at the operational level, with a view to helping countries to strengthen their capacity for prevention and resilience building. Allocation of funding had a critical role to play in supporting coherence. Earmarking of resources contributed to duplication, competition and waste of resources. Getting humanitarian finance right could help to push institutional changes through, leading to improved coherence. The United Nations and the World Bank needed to work on a multi-year programme based on their comparative advantages to deliver aid on the ground. Ms. Santala highlighted priority actions before, during and after a crisis. Before a crisis, relevant institutions and systems needed to be put in place to provide a social safety net when needed. During a crisis, a longer-term vision needed to be adopted. Affected populations should be seen not only as victims but also as productive forces. Investment needed to focus on education, job creation and infrastructure development. After a crisis, attention had to be shifted to unlocking the potential of the private sector and understanding possible solutions at the regional level. According to her, collaboration between such institutions as the United Nations and the World Bank should not only depend on the goodwill of the leaders of the institutions but also become a permanent way of working for the benefit of the recipient countries, supported by financial and internal incentives.

40. In the interactive discussion, an IMF Executive Director presented the work of IMF in fragile and conflict-affected States. He emphasized that IMF focused on institution-building and capacity development by deploying long-term advisers and working with national authorities and other actors. The Dean of the Board of Executive Directors of the World Bank Group also highlighted the distinct focus needed in the context of natural disasters and conflicts. In the former, efforts should be directed towards making the economy more resilient, whereas in the latter the focus should be shifted to prevention. Another World Bank Group Executive Director stressed that the World Bank needed to work more closely with the United Nations to better understand the local context.

41. It was noted that short- and long-term interventions should continue in parallel but that greater attention was needed for investment in long-term development. Member States called upon international organizations to work with national institutions, which were most familiar with national contexts. Lessons learned from the Ebola crisis and the importance of having a unified vision and priorities, as well as strategic planning, were emphasized.

VI. Round tables and panel discussion

Round table A: Global framework for financing sustainable development

42. The round table was chaired by the State Minister of Finance and Economic Cooperation of Ethiopia, Ahmed Shide. The Special Adviser of the Secretary-General on the 2030 Agenda for Sustainable Development, David Nabarro, moderated the panel discussion. Presentations were made by the following panellists: the Deputy Executive Director of Strategic Partnerships, Coordination and Intergovernmental Support Bureau of the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women), Lakshmi Puri; and the Deputy Director General, Coordinator for Natural Resources, of the Food and Agriculture Organization of the United Nations, Maria Helena Semedo. The Director of Social Protection of the International Labour Organization, Isabel Ortiz, served as lead discussant.

43. The Chair opened the session by highlighting that the Addis Ababa Action Agenda provided a new global framework for financing sustainable development that utilized the full range of financial and non-financial means of implementation in support of the 2030 Agenda. The moderator highlighted that the forum on financing for development follow-up would be the first of a series of events to put in practice the follow-up to the landmark agreements reached in 2015.

44. Ms. Puri highlighted that mainstreaming gender in the formulation and implementation of all financial, economic, environmental and social policies was essential to fulfil the 2030 Agenda. She stressed the importance of the institutionalization of a gender-responsive approach to public finance, including through budgeting, macroeconomic policies and tracking public expenditure across all sectors. She urged all Member States to recommit to gender equality by adopting the voluntary Addis Ababa Action Plan on Transformative Financing for Gender Equality and Women’s Empowerment and reporting on its implementation.

45. Ms. Semedo emphasized that the new global financing framework enshrined in the Addis Ababa Action Agenda must build synergies between the climate change and the sustainable food and agriculture agendas. Eradicating poverty and hunger by 2030 required greater agriculture-related income, including through an increase in investment in rural areas, and the safeguarding of resilient, sustainable and inclusive food production systems. Whereas family farms were the key to achieving much of the 2030 Agenda, they faced notable constraints stemming from inadequate policy and laws, including insufficient access to technologies and services, vulnerability to agricultural risks and market distortions, and lack of relevant property rights. An enabling policy framework was needed to stimulate investment in agriculture, complemented by effective partnerships and country-level commitments.

46. While recognizing the comprehensive nature of the global social compact included in the Addis Ababa Action Agenda, Ms. Ortiz cautioned that social protection was not adequately covered under any global funds and was still severely underfunded, at only 2.9 per cent of gross domestic product (GDP) worldwide. While development aid was important, she highlighted the reallocation of public expenditures, increase in tax revenues, including by fighting tax evasion and expanding contributory coverage, and the adoption of accommodating macroeconomic frameworks as important instruments to finance social protection.

Ms. Ortiz called for establishing a global social protection fund to improve the capacity of Governments to set up social protection floors.

47. In the ensuing discussion, several participants recognized the centrality of gender policies and institutions, food security and social protection for achieving sustainable development. It was emphasized that Governments needed to take the lead in facilitating public and private partnerships by reconciling the interests of diverse stakeholders and monitoring progress in the implementation of measures to achieve the Sustainable Development Goals. To that end, the forum should become an effective instrument to follow up on the social compact contained in the Addis Ababa Action Agenda.

Round table B: Domestic and international public resources

48. The round table was chaired by the Executive Director of the Mexican Agency for International Development Cooperation, Gina Casar. Amar Bhattacharya, Senior Fellow of the Brookings Institution, moderated the panel discussion. During the first segment, on domestic public resources, presentations were made by the following panellists: the Chair of the Committee of Experts on International Cooperation in Tax Matters, Armando Lara Yaffar (Mexico); and the Deputy Division Chief of the Fiscal Affairs Department of IMF, Peter Mullins. The Program Director of the Dakar Municipal Finance Program, Khady Dia, served as lead discussant. During the second segment, on international development cooperation, presentations were made by the following panellists: the Director of the OECD Development Centre and Acting Director of the OECD Development Cooperation Directorate, Mario Pezzini; and the World Bank Group Executive Director for Bangladesh, Bhutan, India and Sri Lanka, Subhash Chandra Garg. Smita Nakhooda, Senior Research Fellow of the Overseas Development Institute, served as lead discussant.

49. At the outset, the Chair noted that strengthening domestic resource mobilization was a central mandate in the Addis Ababa Action Agenda and recalled that the emphasis on domestic revenues marked an important change from the Monterrey Consensus and the Doha Declaration. The moderator emphasized the very large fiscal gains that could be made from reducing fossil fuel subsidies, increasing carbon taxes and undertaking tax and wider fiscal reforms. As regards the second segment of the panel, he stressed the role of international development banks in supporting sustainable infrastructure and the centrality of ODA in tackling the issues related to refugees and displaced persons.

50. Mr. Lara Yaffar noted the importance of strengthening cooperation among countries to promote cross-border investment and reduce tax evasion. The Committee of Experts on International Cooperation in Tax Matters had aimed, since its creation, at improving the dialogue between developed and developing countries to strike a balance between their respective interests in setting international tax norms. The Committee was working on addressing some fundamental issues faced by developing countries, namely determination of transfer prices and allocation of profits in connection with transactions occurring within multinational enterprises; taxation of extractive industries; enhanced exchange of information mechanisms and transparency standards; and taxation of cross-border services. He called for the speedy implementation of the Addis Ababa Action Agenda commitment to increase the resources of the Committee and the frequency of its sessions, as well as to enhance its engagement with the Economic and Social Council.

51. Mr. Mullins stated that challenges for revenue mobilization continued to be very significant and reported that, according to IMF data, between 2014 and 2016 around two thirds of countries had experienced a decline in revenues as a share of GDP. IMF had identified several key areas in which there was potential for domestic revenue mobilization. With regard to the corporate income tax, he called for reforming tax incentives regimes whose costs were higher than the benefits, as well as combating international tax evasion and avoidance. Moreover, domestic fiscal reforms in the areas of personal income tax, property tax, value added tax and environmental and extractive industries taxation were crucial for domestic resource mobilization. IMF was committed to supporting developing countries' efforts in those areas through technical assistance and capacity-building, as well as through analytical tools.

52. Ms. Dia noted that by 2050 most of the global population would be urban based and stressed the need to act locally and involve municipalities and local communities to ensure effective revenue mobilization. She reported on the experience of Dakar, which had been reforming the local tax system to become less dependent on transfers from the central Government. The city had been trying to leverage resources from local banks and development banks for investment in local infrastructure and was working with partners to raise funds in the financial market through municipal bonds. In that context, she emphasized the need to ensure better cooperation between different layers of government to empower local finance for sustainable development.

53. Mr. Pezzini emphasized that different sources of funding for international development cooperation should be used in synergetic and, where possible, catalytic ways, for example by employing ODA in a blended finance framework and encouraging South-South and triangular cooperation. With the increase in vulnerability, ODA played an increasingly important role in meeting the needs of developing countries, in particular the least developed countries. Between 2014 and 2015, ODA worldwide had increased by 1.7 per cent and, taking into account refugee in-country assistance, by 6.9 per cent. The quality and effectiveness of international development cooperation would be the key to maximizing the impact of ODA.

54. Mr. Garg highlighted that the Sustainable Development Goals would have to be delivered in a challenging context characterized by dropping commodity prices, a cautious approach by many fiscal authorities and often ineffective monetary policies. In a context where domestic public and private resource mobilization might be heavily affected by international financial flows, ODA, South-South cooperation and multilateral development banks could leverage resources to achieve the Goals. The negative flow of capital resources from developing to developed countries reported in 2015 emphasized the need for multilateral development banks to increase their financing efforts and for more South-South cooperation, including such initiatives as the New Development Bank.

55. Ms. Nakhooda noted that, according to the Addis Ababa Action Agenda and the Paris Agreement, all financial flows should support the 2030 Agenda. She emphasized the importance of the financial architecture encompassing all actors and the need to include private actors in a context where resource constraints could make it difficult to significantly increase official flows to support financing for development. She recalled the commitment to a holistic agenda comprising an inclusive social compact and environmental protection across all countries,

including the least developed countries. She highlighted the critical challenge facing middle-income countries in planning strategies with a balanced trade-off between long-term, low-emission investments and more immediate development policies, as well as the potential for South-South cooperation among developing countries.

56. During the ensuing discussion, participants called upon countries to respect their ODA commitments and to increase efforts to combat illicit financial flows. Several speakers addressed issues related to the high administrative costs of tackling the informal economic sector in the fiscal framework and stressed that efforts would need to be targeted in order to deliver satisfactory results. Some speakers reiterated the central role of capacity development, the importance of subsidy reforms and the opportunity to better structure excise taxes to obtain revenues, as well as achieve environmental objectives.

Round table C: Domestic and international private business and finance

57. The round table was chaired by the Deputy Secretary-General for Economic and Global Issues of the European Union, Christian Leffler. The Executive Director of the Group of 24 secretariat, Marilou Uy, moderated the panel discussion. During the first segment, on domestic private business and finance, presentations were made by the following panellists: the Vice-President of the International Finance Corporation (IFC) and Chief Executive Officer of the IFC Asset Management Company (World Bank Group), Gavin Wilson; and the Managing Director of Principles for Responsible Investment, Fiona Reynolds. The Chief Responsible Investment Officer of Aviva Investors, Steve Waygood, served as lead discussant. During the second segment, on international private business and finance, presentations were made by the following panellists: the Executive Vice-President and Chief Executive Officer of the Multilateral Investment Guarantee Agency (World Bank Group), Keiko Honda; and the Director of the Division on Globalization and Development Strategies of UNCTAD, Richard Kozul-Wright. Bill Streeter, Senior Finance Adviser of the Global Clearinghouse for Development Finance, served as lead discussant.

58. The Chair emphasized that the theme of the round table was at the heart of the successful implementation of the Addis Ababa Action Agenda and the 2030 Agenda. Private sector investment needed to be married with responsible conduct and social responsibility. The moderator encouraged participants to reflect on what factors must be addressed to encourage the private sector to invest in long-term development financing in responsible ways, at both the national and international levels.

59. Mr. Wilson commented that multilateral development banks could provide support for domestic finance in four ways: (a) provide advice on particular projects; (b) structure and underwrite specific transactions; (c) assist in identifying and creating investible opportunities and ensure that projects met environmental, social and governance benchmarks; and (d) serve as a source of finance. He presented examples of strategies that had been used to develop local capital markets to promote domestic investment. For example, in Nigeria and Zambia, IFC supported the emergence of local corporate bond markets by acting as the anchor investor in specific bond issuances.

60. Ms. Reynolds acknowledged the need for sustainability to be at the core of capital markets to address the financing gap facing the 2030 Agenda. She reviewed the results of a recent Principles for Responsible Investment survey in which members were asked to identify how to overcome barriers to investing in the Sustainable Development Goals. Responses included making the Goals relevant to investors, effective regulatory action, better company reporting and transparency, increasing capacity for actions among investors, greater demand from clients and beneficiaries, support from other actors in the investment system, and tackling short-termism. She stressed the need for projects to be investible. Finally, she advised that, while investors had often used fiduciary duty as a reason not to invest, fiduciary duty also included providing long-term returns that were risk adjusted.

61. Mr. Waygood outlined steps to build on the recommendations of the report of the Inter-Agency Task Force. He noted that, while target 12.6 of the Sustainable Development Goals called for integrated reporting, its corresponding indicator called for stand-alone sustainability reports. Yet integrated reporting was essential and should not be undermined by the indicator. In addition, he called upon investors to report on their activities. He also called for more in-depth discussions on how to incentivize financial markets to invest in the Sustainable Development Goals. Mr. Waygood also highlighted the need to establish comparable corporate sustainability benchmarks, which should be revisited annually to promote competition between companies. Finally, he recommended that national curricula be developed so that future investors understood the implications of their investments and how they related to the achievement of the Goals.

62. Ms. Honda articulated the important role that the Multilateral Investment Guarantee Agency had played in mobilizing private investment. With a mandate for cross-border investment, its business model worked with multinational corporations not only to bring in capital but also to share expertise with host countries on a variety of issues, including infrastructure, agriculture and manufacturing. Host countries benefited from the presence of those companies through boosts in trade and revenue, knowledge transfer and vocational training. Given its access to host country Governments, investors felt more comfortable in investing through the Agency. That perceived value added had resulted in lower financing costs in the host country, particularly on long-term infrastructure development projects. In turn, private investors must meet environmental and social standards in implementing projects.

63. Mr. Kozul-Wright reflected on the financing gap facing the 2030 Agenda. He stressed that the current narrative purported that Governments could not come close to filling the gap and that the private sector must be incentivized to invest. Many proponents of that approach would count on financial engineering and self-regulation as the dominant method to mobilize capital for development. However, over recent decades, that approach had resulted in a large increase in the share of corporate profits of national income at the expense of productive investment. Historically, large financial needs were tackled mostly through targeted government spending, infant industry protection, investment in research and development and infrastructure, and regulation of the private sector. Hence, the public sector would have to continue to play a driving role in mobilizing investments in sustainable development.

64. Mr. Streeter observed that, while there were significant amounts of available capital, efforts were needed to ensure that investors found infrastructure projects in developing countries appealing. First, investors preferred stable revenue. Second,

infrastructure was a long-term asset, which would match the long-term liabilities of many institutional investors. Finally, infrastructure investments could meet the social responsibility requirements for investing. However, long-term investment capital did not like exposure to exchange rate, illiquidity and reputational risk. Mr. Streeter concluded by outlining the need for adequate investment planning and well-structured partnerships between domestic and international capital.

65. During the interactive dialogue, reference was made to the need for enhanced interaction between large private sector companies and local businesses. Public-private partnerships were acknowledged as a potential way to garner additional resources, but not as a substitute for public investment. Participants also raised concerns over tax leakages and illicit financial flows. Speakers noted the need to adopt safeguards to meet labour standards and to ensure that transnational corporations were abiding by human rights standards.

Round table D: Debt and systemic issues

66. The round table was chaired by the Vice-President of the Economic and Social Council, Héctor Alejandro Palma Cerna (Honduras). The Director of the Economic and Political Development Concentration of the School of International and Public Affairs of Columbia University, José Antonio Ocampo, moderated the panel discussion. During the first segment, on debt, presentations were made by the following panellists: the World Bank Group Executive Director for Antigua and Barbuda, Bahamas, Barbados, Belize, Canada, Dominica, Grenada, Guyana, Ireland, Saint Kitts and Nevis, Saint Lucia and Saint Vincent and the Grenadines, Alister Smith; and the Head of the Debt and Development Finance Branch of the Division on Globalization and Development Strategies of UNCTAD, Stephanie Blankenburg. Lee C. Buchheit, partner at Cleary Gottlieb Steen and Hamilton, served as lead discussant. During the second segment, on systemic issues, the Deputy Managing Director of IMF, Min Zhu, served as a panellist, and the Executive Director of the New Rules for Global Finance Coalition, Jo Marie Griesgraber, served as lead discussant.

67. The Chair opened the round table by welcoming participants and outlining the topics to be discussed during the round table. The moderator drew attention to the need for cooperation among stakeholders towards the elimination of major global imbalances and underscored the need for further reform of the international financial system.

68. Mr. Smith emphasized that the Heavily Indebted Poor Countries and the Multilateral Debt Relief Initiatives had achieved significant progress in reducing the debt burden of many low-income countries. However, exceptions remained in small middle-income countries with a population of less than 1.5 million, particularly in the Caribbean region. He was sceptical about introducing new institutions for sovereign debt restructuring owing to political difficulties. He stated that aggregated collective action clauses and the introduction of pari passu clauses were important improvements for sovereign debt restructuring processes. In addition, it was important to strengthen the work of existing institutions. The forum on financing for development follow-up should play a stronger role in coordinating the efforts of different actors, such as the Paris Club and international financial institutions.

69. Ms. Blankenburg highlighted the increasing use of debt to promote economic growth, the volatility of capital flows and the lack of financial deepening as some of

the critical challenges for debt sustainability in developing countries and beyond. She argued that, while the Addis Ababa Action Agenda comprised key principles for the prevention and resolution of debt crises, debt sustainability would ultimately require a more stable international financial system. That would include a reform of analytical and institutional frameworks, strengthened national legislation, an analysis of long-term debt sustainability vis-à-vis national productive capacities and a stronger role for international public finance.

70. Mr. Buchheit noted that, as a consequence of low interest rates in developed countries after the 2008 financial crisis, as well as low commodity prices, both developing and developed countries had resorted increasingly to debt financing in the past years. Given that those trends had started to reverse, debt problems were likely to intensify. For the same reason, debt refinance risk would become more of an issue. Furthermore, debt was less frequently paid in instalments but rather in full, regardless of electoral cycles. The introduction of the concept of lender responsibility was an important improvement. However, while the principle of supermajority requirements had been dominant in private insolvency regimes and bankruptcy codes, it was introduced to sovereign debt workout mechanisms only in 2002 and had yet to be mainstreamed in developing country debt frameworks.

71. Mr. Zhu emphasized that global economic governance needed to become more inclusive and representative to better reflect the role of developing and dynamic economies. IMF had taken some important steps in that direction, for example the 2010 quota and governance reform, as well as the overhaul of the surveillance and lending toolkits. However, more needed to be done, including the completion of the next quota review by the 2017 annual meeting and reforms of the global financial safety net, as well as on other issues, such as the fight against climate change and support for fragile States. In general, global cooperation would be essential to ensure policy coherence in all areas of the global financial architecture. Finally, Mr. Zhu highlighted that macroeconomic policies, for example capital flow management measures and flexible exchange rates, were the first line of defence against volatile and procyclical capital flows.

72. Mr. Ocampo suggested that, although the world had never had better surveillance mechanisms, especially through the Group of 20 and its mutual assessment process, the results had been insufficient. The mechanisms had had little impact on reducing existing global imbalances, and additional imbalances were evolving. He proposed to reform the global reserve system through the creation of a fully special drawing rights-based IMF with a clear countercyclical focus. Regional monetary arrangements could also play a useful complementary role. Indeed, the Fund of the future could be conceived as the apex of a network of regional funds, that is, as an institution closer in design to the European Central Bank or the Federal Reserve Bank. In addition, Mr. Ocampo called for more progress in terms of a greater voice and greater participation in international financial institutions on the part of developing countries.

73. Ms. Griesgraber highlighted the deficits in voice and participation of developing countries in global economic governance. She suggested that the IMF constituency model should also include people and labour, in addition to money and capital. Furthermore, to improve governance mechanisms, transparency, inclusion and accountability should be strengthened, including through the establishment of a complaint mechanism. Regarding global tax matters, coherence between the United

Nations, IMF and OECD remained of critical importance, and the representation of developing countries needed strengthening. There was a need for better data on the volume and impact of illicit financial flows from developing countries.

74. During the interactive discussions, some participants warned that ongoing debt crises could endanger the achievement of the Sustainable Development Goals. Thus, debt sustainability analysis should include Sustainable Development Goal financing needs. As regards systemic issues, participants highlighted the role of regional and bilateral institutions in addressing international capital flow volatility, which could play a countercyclical role. Speakers also called for additional reforms on “too big to fail” and shadow banking regulation.

Round table E: Trade, science, technology, innovation and capacity-building

75. The round table was chaired by the Minister and Private Secretary for National Policies of Nicaragua, Paul Oquist Kelley. The President of the Trade and Development Board of UNCTAD, Alfredo Suescum A., moderated the panel discussion. During the first segment, on trade, presentations were made by the following panellists: the Head of the International Trade Centre Office to the United Nations, Puvan Selvanathan; and the Counsellor and Head of the Committee on Trade and Development Unit of the Development Division of WTO, Hans-Peter Werner. The Director of International Programs at the Center for Economic and Policy Research, Deborah James, served as lead discussant. During the second segment, on science, technology, innovation and capacity-building, the Director General of the International Intellectual Property Institute, Andrew Hirsch, served as a panellist, and Ambuj Sagar, Professor of Policy Studies at the Indian Institute of Technology and a member of the group of experts convened to support the Technology Facilitation Mechanism, served as lead discussant.

76. The Chair welcomed the participants and outlined the topics to be discussed during the round table. The moderator acknowledged that the Addis Ababa Action Agenda highlighted the role that trade could play as an instrument for the successful implementation of the Sustainable Development Goals. With regard to the second segment, he emphasized that investment in innovation leading to the development of affordable technology could make a significant contribution to the achievement of the Goals.

77. Mr. Selvanathan highlighted that strengthening the role of domestic small and medium-sized enterprises in export-led strategies was a tool to avoid distortions in agricultural markets and promote technology transfers, ultimately supporting employment growth and economic development. In order to achieve the Sustainable Development Goals, particular attention should be placed on small and medium-sized enterprises and their human element. Such enterprises around the world and across industries were all part of the same value chain structure, where the greatest value resided in such activities as patenting, consulting and design. Even though such enterprises constituted the bulk of the economic sector in developing countries, they were often concentrated in lower-value activities, such as reselling, as well as maintaining and picking crops. Understanding their contribution to the value chain was essential to identify strategies to increase their value added.

78. Mr. Werner emphasized that Sustainable Development Goal 17 contained the trade-related commitments to conclude the Doha Round of multilateral trade negotiations at WTO, stimulate exports in developing countries and realize the timely implementation of duty-free and quota-free market access on a lasting basis for all least developed countries. Those commitments, also included in the Addis Ababa Action Agenda and in the Nairobi Ministerial Declaration, would be challenging to implement in the current economic scenario. To that end, the trading standards qualification framework, preferential rules of origin and preferential treatment for services were important to achieve Goal 17 and facilitate the attainment of several other Goals, including those related to the reduction of inequality, the building of resilient infrastructure, and access to health care.

79. Ms. James highlighted that the current model of trade agreement constrained developing countries' policy space and limited, rather than promoted, their ability to achieve the Sustainable Development Goals. The Trans-Pacific Partnership Agreement and other preferential agreements could further exacerbate the marginalization of vulnerable economies by preventing policies to retain knowledge from services and technology. New-generation trade agreements would often be based on proposals by multinational enterprises and would not sufficiently safeguard human rights, health and the provision of essential goods and services. In order to meet the Goals, developing countries would need to ensure that trade agreements did not undermine their ability to pursue public policy objectives and would need to unwind agreements with a negative impact in such areas as the environment, social services and safety.

80. Mr. Hirsch noted that a just, sustainable and integrated innovation and knowledge-based global ecosystem would require strong foundations, including peace and social stability, a market-based economy, respect for the rule of law, targeted national policies and multi-stakeholder participation. The technology bank was established as a facilitating mechanism to address science, technology and innovation gaps in the least developed countries by helping them to build a robust science, technology and innovation base, supporting their technology access, acquisition and utilization and promoting the research networking of their science, technology and innovation community. It was time to operationalize the technology bank, with a view to ensuring information access to support research and development, supporting intellectual property rights and technology transfer on mutually agreed terms and conditions and providing intellectual property technical assistance and training for the benefit of the least developed countries.

81. Mr. Sagar stated that science and technology played a critical role in today's world for achieving sustainable development. Customized strategies that took national priorities into account were needed. Domestic efforts of developing countries needed to be complemented by effective international support mechanisms in order to develop human and institutional capabilities to support innovation. Moreover, additional financing could play a major role, especially in promoting joint technology development and catalysing critical interventions to develop new technology and markets. In that context, he mentioned several initiatives, including the technology bank, the Green Climate Fund, the Global Environment Facility, the Technology Facilitation Mechanism and the Climate Technology Centre and Network.

82. During the ensuing interactive discussion, several speakers noted that, while the linkage between trade and technology was a major opportunity, innovation

remained a challenge for Governments. It was important to consider how the rules of trade could have an impact on development, promote innovation and improve access to markets for developing countries. The technology bank should be operationalized soon, given that it could help to promote entrepreneurship and innovation in developing countries. Some speakers reiterated that most developing countries lacked the resources to invest in technology, hence the need for multilateral support, including for research and development.

Round table F: Data, monitoring and follow-up

83. The round table was chaired by the Minister of State for Development and Francophonie of France, André Vallini. The Assistant Secretary-General for Economic Development, Lenni Montiel, moderated the panel discussion. Presentations were made by the following panellists: the Division Chief of the Financial Institutions Division of the Statistics Department of IMF, Robert York; and the Chair of the Statistical Commission, John James Pullinger (United Kingdom of Great Britain and Northern Ireland) (by video link). The Managing Director of the Society for International Development, Stefano Prato, served as lead discussant.

84. The Chair opened the panel and highlighted the need for data disaggregation and the development of new technologies, as well as the importance of engaging new stakeholders, such as civil society and the business sector. The moderator called upon speakers to address how to achieve a balance between existing data and developing new capacities, enhance accountability in monitoring in the context of the Addis Ababa Action Agenda and tackle data gaps on national and cross-border financial flows.

85. Mr. York reflected on lessons learned from the IMF data standards initiatives. First, it was important that human, financial and technological resources for the development of statistics be adequate; where resources were scarce, statistical development suffered. Second, political support for statistics must be strong, continuous and present in legal and institutional structures. Third, instruments to support monitoring and implementation were essential, and capacity-building should be targeted in very specific ways. Mr. York encouraged participants to have candid and informed discussions about the resources needed to support statistical development and to identify ways to ensure that political commitments could be sustained throughout the implementation of the Addis Ababa Action Agenda.

86. Mr. Pullinger shared four conclusions from the work of the Statistical Commission in developing the indicators for the Sustainable Development Goals. First, there was an urgent need for well-targeted investments in national statistical systems to improve official data, take advantage of new technologies and build data science. Second, he underscored the need to build analytical capability within Governments. Third, he underlined the need to build partnerships with civil society and the private sector to improve data literacy among citizens and promote accountability. Finally, he called for skills development and knowledge transfer towards building sustainable national capabilities.

87. Mr. Prato discussed how best to organize the financing for development follow-up process along the four pillars, namely contextualization, monitoring, the normative agenda and global economic governance. First, the forum should be a space in which to contextualize and discuss what was happening in the world.

Second, there must be a clear understanding of the methodology of data production; without it, data outcomes would continue to be contested. Third, policy development, standard setting and policy convergence must be key features of the forum, and multi-year planning must be undertaken towards those ends. Finally, the forum should build an organic relationship with other institutions, such as the Technology Facilitation Mechanism and the Global Infrastructure Forum. To conclude, he called for an additional two-day meeting on financing for development in 2016 to discuss how to realize those objectives.

88. During the interactive dialogue, the issue of building data monitoring systems for philanthropic organizations on achieving the Sustainable Development Goals was raised. Governance was also identified as the factor that would enable statistical agencies to survey and measure the impacts of strategic investments. Several speakers called for innovative approaches to supplement the core data from government institutions. Better data needed to be published on how policy formulations were addressing the needs of the people. Some speakers highlighted the need for data visualization and data aggregation to enhance understanding of what worked in order to facilitate investment.

Panel discussion on the Global Infrastructure Forum

89. The following were presenters at the panel discussion: the Managing Director and Chief Financial Officer of the World Bank Group, Joaquim Levy; the Manager of the Infrastructure and Environment Sector of the Inter-American Development Bank, Pablo Pereira dos Santos; the Corporate Director of the European Investment Bank, Thomas Barrett; the Representative of the North American Representative Office of the Asian Development Bank, Craig Steffensen; the Senior Director of the Public-Private Partnerships Group of the World Bank Group, Laurence Carter; and the Group Executive of Strategy of the Development Bank of Southern Africa, Mohan Vivekanandan.

90. Mr. Levy briefed participants on the outcome of the first Global Infrastructure Forum, held in Washington, D.C., on 16 April 2016, including its decision to hold annual meetings, to rotate the chairmanship among the multilateral development banks and to cooperate with the United Nations, including through annual reporting to the forum on financing for development follow-up. Discussions at the Global Infrastructure Forum were focused on more, better and effective spending on infrastructure. He stressed three pillars for future work: (a) addressing the risk of infrastructure projects through better-quality projects and more effective regulation; (b) using the balance sheet of multilateral development banks more effectively through innovative instruments and guarantees; and (c) developing an adequate regulatory environment on the finance side, especially with regard to fixed-income and institutional investors, to match funds with needs.

91. Mr. dos Santos noted that well-developed infrastructure project pipelines would be essential for attracting investment. Political instability, weak institutions and lack of coherence between the project and the political election cycles remained the main challenges. End users must be engaged in projects to act as advocates for project implementation. Projects, in turn, must be investible and sustainable to become more resilient and effectively mitigate investor risk. Mr. Barrett discussed how to address questions of creating a pipeline of projects, building capacity and

activating private sector markets. He also noted a strong call from the United Nations to exchange best practices and expertise. He recognized the leadership, ownership and organizational role that multilateral development banks had to play in the implementation of the 2030 Agenda.

92. Mr. Steffensen called for new and innovative approaches, secure public-private partnerships, the use of high-level technology in infrastructure to achieve environmental objectives, and a strong commitment to climate finance and the Sustainable Development Goals. Mr. Carter noted the importance of ensuring that attention was paid to low-income and conflict-affected countries. He proposed the following thematic priorities for the next Global Infrastructure Forum: political economy and sustainability considerations; the role and visibility of regional and national development banks; and country programmes on private sector mobilization. Mr. Vivekanandan maintained that, while there was a role for multilateral development banks and the private sector in infrastructure development, national development banks could also play a meaningful role in infrastructure investment.

93. During the interactive dialogue, participants welcomed the Global Infrastructure Forum and encouraged the multilateral development banks to accelerate investment in infrastructure. The importance of building better-quality infrastructure in response to climate change and natural disasters was raised. The need for engaging citizens in project preparation and implementation was also emphasized.

VII. Closing of the forum on financing for development follow-up

94. The forum adopted its procedural report (E/FFDF/2016/3), including the intergovernmentally agreed conclusions and recommendations, which reaffirmed strong commitment to the full and timely implementation of the Addis Ababa Action Agenda, which built on the Monterrey Consensus and the Doha Declaration, and recognized that the Action Agenda was an integral part of the 2030 Agenda, supported and complemented it and helped to contextualize its means of implementation targets with concrete policies and actions. It also endorsed the conclusions and recommendations in the report of the Inter-Agency Task Force setting up the monitoring framework for the Action Agenda and all means of implementation of the Sustainable Development Goals. The document provided further guidance for future sessions of the forum, emphasizing the importance of an early decision on its dates, themes and other organizational matters.

95. Following the adoption of the intergovernmentally agreed conclusions and recommendations, the Group of 77 and China expressed the view that the 2016 document did not fully meet the mandates of the Addis Ababa Action Agenda. The European Union expressed the view that, its brevity notwithstanding, the document was a testimony to the common will of Member States to uphold the consensus reached in Addis Ababa and gave guidance on the preparation of future forums.

96. In his closing remarks, the President of the Economic and Social Council thanked all participants for their substantive contributions to the forum and emphasized the importance of the shared sense of ownership, the spirit of cooperation and the willingness to seek win-win solutions at all levels for achieving effective development cooperation and entering a new era for sustainable development.