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Follow-up to and implementation of the outcome of the 2002 International Conference on Financing for Development and the 2008 Review Conference

Summary by the President of the General Assembly of the sixth High-level Dialogue on Financing for Development (New York, 7 and 8 October 2013)

I. Introduction

1. The General Assembly held its sixth High-level Dialogue on Financing for Development on 7 and 8 October 2013 at United Nations Headquarters. The overall theme of the meeting was "The Monterrey Consensus, the Doha Declaration on Financing for Development and related outcomes of major United Nations conferences and summits: status of implementation and tasks ahead".

2. The President of the General Assembly opened the meeting. Statements were also made by the Secretary-General, the Vice-President of the Economic and Social Council, Masood Khan, and the Secretary-General of the United Nations Conference on Trade and Development, Mukhisa Kituyi. Officials of 40 Governments made statements to the plenary, including six representatives speaking on behalf of groups of countries.

3. The Dialogue also included three interactive multi-stakeholder round tables on selected themes and an informal interactive dialogue. Participants at those informal meetings included the major stakeholders in the financing for development process, including high-level representatives of Governments, representatives of international organizations and observers, and 28 representatives of civil society organizations and the private sector. The titles of the round tables and the informal interactive dialogue were as follows:

- Round table 1. The impact of the world financial and economic crisis on the reform of the international monetary and financial system and its implications for development
- Round table 2. Mobilization of public and private financing, including foreign direct investment and other private flows, and fostering international trade and sustainable debt financing, in the context of financing for development

- Round table 3. The role of financial and technical development cooperation, including innovative sources of development finance, in leveraging the mobilization of domestic and international financial resources for sustainable development

- Informal interactive dialogue. The link between financing for development and achieving the internationally agreed development goals, including the Millennium Development Goals, and advancing the United Nations development agenda beyond 2015

4. The meeting had before it the following reports of the Secretary-General: (a) A life of dignity for all: accelerating progress towards the Millennium Development Goals and advancing the United Nations development agenda beyond 2015 (A/68/202); (b) Follow-up to and implementation of the Monterrey Consensus and Doha Declaration on Financing for Development (A/68/357); (c) International financial system and development (A/68/221); (d) External debt sustainability and development (A/68/203); (e) International trade and development (A/68/205); and (f) Summary by the President of the Economic and Social Council of the special high-level meeting of the Council with the Bretton Woods institutions, the World Trade Organization and the United Nations Conference on Trade and Development (New York, 22 April 2013) (A/68/78-E/2013/66). The discussions held at the plenary meetings, round tables and interactive dialogue meetings are summarized below.

II. Plenary meetings

5. In his opening remarks, the President of the General Assembly emphasized that the High-level Dialogue took place at a critical juncture, where different United Nations intergovernmental processes, namely, the sustainable development agenda, the post-2015 development agenda and the financing for development process, were about to converge. Financing for development was a key element in these processes, and the meeting provided an opportunity to discuss progress achieved since the adoption of the Monterrey Consensus, and the contours of an integrated financing framework for a post-2015 development agenda. The President further acknowledged that the international community would need to accelerate efforts to mobilize financial resources towards achieving the Millennium Development Goals by 2015 and towards paving the way for a post-2015 development agenda.

6. The President noted that the recent global financial and economic crisis and its aftermath had reminded the international community of the significant fragilities that remained in the international financial system. Further, the perilous state of public finances in many developed countries had led to a fall in official development assistance (ODA). As a result, fiscal space to finance investments in areas critical for achieving the Millennium Development Goals and for financing sustainable development in its economic, social and environmental dimensions had narrowed. He stressed that it was imperative that countries kept pledges and commitments they had made, in particular meeting the ODA objective of 0.7 per cent of gross national income (GNI). While the financing needs for sustainable development were enormous, the President noted that they represented only a relatively small portion of global savings. The key challenge was to promote a financial system that reallocated a small percentage of global savings towards

sustainable development and long-term investments. Both private and public financing from domestic and international sources would be necessary. Moreover, new and innovative sources of financing would be needed to supplement traditional ODA, and South-South cooperation would need to be further enhanced as a complement to North-South and triangular cooperation.

7. The Secretary-General recalled the bold commitments the international community had made in the 2002 Monterrey Consensus. He stressed that there would be a new significant historical juncture in 2015; a new set of development goals would be established, with sustainable development at their core. While substantive progress had been made in achieving the Millennium Development Goals in many developing countries, the Secretary-General highlighted that greater efforts were needed to accelerate progress and to achieve sustainable development beyond 2015. Both public and private sources of financing would need to be tapped, and public resources would need to leverage private resources and encourage long-term investments.

8. The Secretary-General also expressed concern over the recent decline in ODA. He urged donor countries to fulfil aid commitments, including those established in the Busan Partnership for Effective Development Cooperation. In addition, he emphasized that domestic resource mobilization remained a key component of financing for development. Improved domestic resource mobilization would require a broadening of tax bases and improved tax administration, as well as combating illicit flows. Lastly, the Secretary-General stressed that sustainability should be at the core of the financing for development process. Creating a sound financing strategy based on mutual accountability and shared responsibility would play a critical role in mobilizing financing resources for sustainable development.

9. The Vice-President of the Economic and Social Council confirmed that significant progress had been made since the adoption of the Monterrey Consensus and the Doha Declaration on Financing for Development. Substantive advances had been observed on the mobilization of domestic and international resources, including ODA, advancing international trade, managing external debt, and enhancing the coherence of the international trade, monetary and financial system in support of development. The Vice-President also highlighted the progress achieved in achieving some of the Millennium Development Goals. He acknowledged, however, that progress was insufficient and uneven within and across countries. Moreover, the economic and financial crisis had caused serious setbacks, highlighting the continuing systemic weaknesses in the global financial system. The Vice-President encouraged the international community to accelerate progress towards achieving the Millennium Development Goals and to establish an ambitious global development agenda beyond 2015. He noted that the future development agenda should build on a strong financing framework, based on the Monterrey Consensus and the Doha Declaration, and a renewed and strengthened global partnership for development.

10. The Vice-President also emphasized the role of the Economic and Social Council in advancing the financing for development agenda. In 2013, the Council had held a number of relevant discussions to assess and analyse the global partnership for development for the post-2015 agenda. A key message emerging was that a renewed global partnership should build on the strengths of Millennium Development Goal 8, taking into account existing financing commitments and new

emerging challenges. He further stressed that strengthening the financing for development agenda was a key priority for the international community in formulating a new sustainable development agenda.

11. During the plenary discussion on the overall theme “The Monterrey Consensus, the Doha Declaration on Financing for Development and related outcomes of major United Nations conferences and summits: status of implementation and tasks ahead”, many delegations recognized that the sixth High-level Dialogue was being held at a critical time, as the world was increasing its efforts to accelerate progress towards achieving the Millennium Development Goals, and as the international community was deliberating on a post-2015 development agenda. A strengthening of international development cooperation was seen as critical in both instances. While many speakers agreed that important steps had been taken in the implementation of the Monterrey Consensus and the Doha Declaration on Financing for Development, they also cautioned that much more needed to be done. In this context, a number of delegations, especially from the Group of 77 and China, recalled paragraph 90 of the Doha Declaration and called for open, inclusive and direct intergovernmental consultations to begin before the end of the year, with a view to taking a final decision on the need for a follow-up financing for development conference. If held before the end of 2015, the conference would provide a meaningful financing framework for the post-2015 development agenda.

12. Many participants reaffirmed that the Monterrey Consensus and the Doha Declaration on Financing for Development provided a sound conceptual basis for discussions on a single and coherent financing strategy for a post-2015 development agenda. Their comprehensive framework, covering all sources of financing as well as the international trade and financial system, policy coherence and the enabling environment for development, could guide the formulation of a financing strategy for sustainable development. At the same time, as the world had changed significantly in the last decade and as new realities had emerged, they also noted that the financing framework would have to be adapted to the new challenges, especially those related to the integration of the economic, social and environmental dimensions of sustainable development.

13. Delegations also welcomed and pledged support to the Intergovernmental Committee of Experts on Sustainable Development Financing, as called for by the outcome of the United Nations Conference on Sustainable Development and established by the General Assembly in June 2013. They stressed the importance of coherence and consistency between the processes and welcomed the Dialogue as an opportunity for cross-fertilization and for ensuring synergies. Some delegations suggested a strengthening of the financing for development follow-up process through the establishment of a financing for development commission as a subsidiary body of the Economic and Social Council. The meeting agreed that ODA remained of critical importance for many countries, even though, on its own, it would not suffice to meet sustainable development needs. For this reason, concern was widely expressed about the recent fall in ODA. Some delegations specifically highlighted the difficulties of small, vulnerable economies that remained in an unsustainable economic situation and highly indebted, despite being classified as middle- or even high-income countries.

14. Participants stressed that the global financial and economic crisis had a negative impact on fiscal space in donor countries, but they agreed that the crisis should not be used as a justification for development partners to avoid fulfilling existing commitments of development cooperation. Many participants also endorsed efforts to further improve the effectiveness of ODA. Measures could include more extensive use of budget support as a development assistance modality, and improved donor coordination. Some delegates also highlighted the important role that the Busan Partnership for Effective Development Co-operation could play in this matter.

15. Some speakers emphasized that creative approaches were needed to raise additional resources for financing the post-2015 development agenda, including innovative sources of financing such as solidarity levies on air tickets, carbon taxes, financial transaction taxes and debt conversions.

16. Several speakers highlighted that many developing countries had taken bold initiatives to mobilize additional domestic resources. Remaining gaps would need to be closed, and development assistance could make an important contribution in this regard by targeting institutional gaps. Enhanced domestic resource mobilization would also rely on addressing the illicit outflows of financial resources from developing countries, and improving tax cooperation. In this context, agreements in the Group of Twenty (G-20) on automatic exchange of tax information and its backing of the work of the Organization for Economic Cooperation and Development (OECD) on base erosion and profit shifting were highlighted. Some delegations further called for the strengthening of the United Nations Committee of Experts on International Cooperation in Tax Matters and its conversion into an intergovernmental body.

17. Participants highlighted the importance of private financial flows, notably foreign direct investment, for developing countries. However, least developed countries in particular had so far not benefited enough from these flows and often remain marginalized in global production networks. Participants urged the international community to join the least developed countries in their efforts to attract foreign direct investment, specifically by setting up investment promotion schemes as agreed in the Istanbul Programme of Action for the Least Developed Countries for the Decade 2011-2020.

18. Delegates also spoke of the special challenges that small island developing States were facing because of climate change. Some small island developing States expressed their high expectations with regard to the forthcoming third International Conference on Small Island Developing States, to be held in Samoa in 2014, including on issues of concessionary financing, technology transfer, debt relief and the movement of natural persons and remittances.

19. The increase in South-South development cooperation was welcomed by many delegations and would play an integral role in financing sustainable development beyond 2015. The meeting further agreed that innovative development financing mechanisms have proven to be a useful complement to traditional development assistance. Speakers also highlighted the potential of remittances to contribute to positive development outcomes. They urged the international community to fulfil its commitment to lower the remittance transaction costs.

20. It was noted that the continued debt crisis proved costly to developing countries and debt relief remained essential. Delegations suggested that the international community should urgently explore options to establish an international debt restructuring or debt resolution mechanism. Further, it was recognized by many speakers that a fair multilateral trading system was critical for development. Several participants expressed disappointment that duty-free and quota-free access for exports of least developed countries still had not been realized. The upcoming ninth ministerial meeting in Bali could break the longstanding impasse in the Doha Round of multilateral trade negotiations at the World Trade Organization.

21. In the light of the vulnerabilities exposed by the global financial and economic crisis, several participants called for urgent reforms in the international financial architecture, in particular in the voting arrangements of the international financial institutions, with a view to increasing the voice and participation of developing countries.

22. In addition, several speakers highlighted the critical importance of addressing climate change. This would include establishing a binding climate regime with specific emission reduction targets in 2015. The urgency of climate change further called for a rapid operationalization and capitalization of the Green Climate Fund, in order to ensure that it would be able to deliver $100 billion annually in climate financing by 2020.

III. Round table 1. The impact of the world financial and economic crisis on the reform of the international monetary and financial system and its implications for development

23. In his opening remarks, the Chair of round table 1, Samuel Moncada, Permanent Representative of the Bolivarian Republic of Venezuela to the United Nations and member of the Intergovernmental Committee of Experts on Sustainable Development Financing, stated that for the past five years, the world had been gradually recovering from the 2008 financial crisis, but many risks still remained, such as spillover effects of unconventional monetary policies in developed countries, insufficient regulation in certain areas like shadow banking and global systemically important financial institutions, and the need to strike a balance between regulation and access to credit, particularly for smaller borrowers such as small and medium-sized enterprises. He also pointed out that the development and adaptation of international financial regulation would benefit from greater representation and participation of developing countries in the regulatory reform process.

Presentations by the panellists

24. Round table 1 featured presentations by Rupert Thorne, the Deputy Secretary-General of the Financial Stability Board of the Bank of International Settlements, in Basel; Eduardo Gálvez, Ambassador and Deputy Permanent Representative of Chile to the United Nations and member of the Intergovernmental Committee of Experts on Sustainable Development Financing; Axel Bertuch-Samuels, Special Representative to the United Nations and Deputy Director of the Strategy, Policy and Review Department of the International Monetary Fund; Yuefen Li, Head of the

Debt and Development Branch of the United Nations Conference on Trade and Development (UNCTAD); and Manuel F. Montes, Senior Adviser on Finance and Development of the South Centre in Geneva.

25. Mr. Thorne (Financial Stability Board) provided an overview of the activities of the Board on reforming the international monetary and financial system. He explained that the Board was focused on the G-20 countries and a number of international stakeholders. The G-20 committed itself in 2008 to correcting the international financial system and called upon the Board to recommend regulations to this effect. Mismanaged debt was a major source of the 2008 crisis, which triggered a global recession. The reform programme under way aimed to assist both developed and developing countries. Major progress had been made in this respect, with a central role played by the Board in advancing an agenda of regulation and cross-border cooperation, with the aim of reducing volatility, among other objectives. First, to make banks more resilient, implementation of the Basel III Accords was well under way, with many measures already implemented ahead of schedule. Second, 28 global systemically important financial institutions and 9 global systemically important insurers had been identified. The global systematically important financial institutions were now required to have higher capital and undergo closer supervision in the light of the risk they posed. Effective cross-border agreements were also needed. Since regulatory gaps should be avoided, the Board had taken the initiative to address regulation in shadow banking. Third, making derivatives markets safer had also been a priority of the Board. Over-the-counter derivatives markets were now being further regulated, partly by setting minimal capital requirements.

26. Mr. Thorne pointed out that the package of reforms could be successful only if it was implemented comprehensively, which is why the Financial Stability Board had developed a comprehensive monitoring and peer review of reforms. The Board also published three reports on financial stability and emerging markets and developing economies. Concerns had been voiced about the applicability of the Basel III Accords to developing countries and the need for cross-border cooperation. Lack of resources and expertise in emerging markets and developing economies continued to be a problem in implementation; hence there was a need to further develop capacity in developing countries. Finally, the lack of long-term investment continued to cause concern, although the speaker expressed his view that the private sector would provide greater long-term finance in the future, given that regulatory reform would lead to a more stable international financial system.

27. Mr. Galvez (Chile) explained that the 2008 crisis had created new opportunities for international collaboration and reform. In that context, the speaker highlighted how the United Nations had tried to address the flaws in the international financial system brought to the fore by the Asian crisis in the late 1990s. According to the speaker, in the 1990s there was a period of positive globalization, until a negative chain reaction appeared across Asia in 1997, with financial crises followed by a political one. The need for a new financial architecture was mentioned at the time within the United Nations, and the International Conference on Financing for Development was organized in Monterrey, Mexico, to build a constructive response to a very complex issue. Civil society was heavily involved, along with entrepreneurs. The Conference made important progress with regard to the formulation of a new framework for development cooperation through the adoption of the Monterrey Consensus.

28. According to Mr. Galvez, the 2008 crisis caused social unrest, with "Occupy Wall Street" and the issue of the "1 per cent" mirroring concerns at increasing inequalities. Yet, the United Nations had been marginalized from the crisis response, which was led by G-20. On the positive side, there had been recent attempts to reintegrate the United Nations into global economic discussions. In this sense, the 2008 crisis could be a new opportunity to strengthen global economic governance. There was a need to explore what the United Nations, as well as the World Bank and the International Monetary Fund, could do collaboratively to address current problems, including through working towards a conference on financing sustainable development with the involvement of all relevant stakeholders. This conference could provide an important input to the post-2015 development agenda.

29. Mr. Bertuch-Samuels (IMF) summarized disappointments discussed in the morning session on reaching Millennium Development Goal 8. The crisis had triggered the biggest recession since the Great Depression, but it could have been worse had governments and the international community not responded. If historical crisis contagion patterns had repeated themselves, there could have been a much deeper recession. Developing countries recovered relatively quickly from the crisis. Stronger external and fiscal position and improved policies helped many developing countries overcome problems faster than expected. This, according to Mr. Bertuch-Samuels, was, in part, a consequence of the Monterrey Process. Many reforms had been launched since 2008 — but they needed to be completed. Private sources of financing for development would undoubtedly need to play a larger role in the future. Reforms were aimed in the right direction, but they needed to be refined and the international financial system remained vulnerable. Moreover, systemic risks could be reduced through the creation of simpler financial products. Consequently, enhanced supervision was crucial in ensuring reform.

30. Mr. Bertuch-Samuels pointed out that the IMF had been very active in its crisis response. It had deployed lending power and trained personnel across Member States, overhauled the lending framework and streamlined conditions for access to loans. A surveillance strategy was approved by the IMF, and the management needs of growing capital flows were recognized. To meet increasing financing needs, lending capacities had been bolstered. Special Drawing Rights (SDRs) had been increased by almost tenfold since 2002. In short, according to the speaker, major progress had been made in implementing the Monterrey Consensus. The IMF also introduced a zero per cent interest rate policy and was helping many countries increase their social spending. Finally, governance reform had been a top priority for the IMF to increase its legitimacy. Mr. Bertuch-Samuels concluded by highlighting the need for higher tax-to-gross domestic product ratios in developing countries. Each country had the responsibility to raise its ratio, but countries also needed to be able to rely on external agreements and assistance.

31. Ms. Li (UNCTAD) pointed out that the world was still recovering from the 2008 world financial and economic crisis. Developing countries showed resilience to the crisis by tapping into the cushions they had built during the "good" years. As for developed countries, there were now signs of recovery. Emerging economies had seen their currencies depreciate by 15 per cent in recent months due to capital outflows. These economies, along with China, had seen their gross domestic product (GDP) growth reduced. Low-income countries were now feeling a pinch with the slowing down of economies in both developed and emerging countries. Ms. Li explained that the crisis could be seen as a good opportunity for reform. Progress

had been made since 2008 but it had not been significant. Meanwhile, the financial sector was still taking great risks and reaping excessive profits, circumventing major rules and contributing to boom-and-bust cycles. Zero per cent interest rates had failed to add liquidity. Moreover, capital flow volatility continued to be large with increased inflows creating currency appreciation and bubbles and outflows causing major depreciations.

32. According to Ms. Li, the crisis had made people more keenly aware of the need to address sovereign debt crises through debt restructuring. At the height of the eurozone crisis, discussions were under way on a debt restructuring (or workout) mechanism, but no agreement was reached. The New York court ruling on Argentine debt had highlighted the need for such a mechanism as the holdout problem would be coming back as a major issue. UNCTAD had been working on this issue for decades and had launched a project, which brought together Member States, development banks, civil society and academia with a view to making a proposal on fair borrowing and lending standards. The main outcome was a series of UNCTAD principles issued in 2012, and endorsed since then by 12 countries, which emphasized the importance of regulating capital flows at source and destination countries, and a fair debt workout mechanism.

33. Mr. Montes (South Centre) summarized the ongoing effects of the 2008 crisis and the extent to which the commitments included in the outcome of the 2009 Conference on the World Financial and Economic Crisis and Its Impact on Development had been implemented. Five years after the collapse of Lehman Brothers, short-term capital flows were continuing to cause exchange rate collapses and volatility in emerging economies. With rising interest rates, recent events were threatening a new round of debt crises in the developing world. Should the crisis proliferate, the world still would not have a global debt resolution mechanism.

34. Many developing countries did not have the policy space to address global risks. Moreover, economic growth remained weak in the United States and dependence on the United States dollar would continue to make the world dependent on United States domestic policies. The speaker further referred to paragraph 36 of the above-mentioned outcome document, which called for reforms of the current global reserve system. Developing countries were mostly innocent bystanders of the crisis, but they suffered the most. In addition, banks were not lending enough to stimulate growth. Despite the commitments in paragraphs 3 and 9 of the outcome document, IMF still did not have sufficient surveillance of financial regulation, or supervision and monitoring of the financial sector. Mr. Montes pointed out that these agencies undertook excellent work, but political oversight was lacking. According to the speaker, developed countries relied excessively on monetary policies and quantitative easing, causing spillover effects on developing countries. IMF did not have sufficient power to address politics in the United States and the European Union, from where private speculative flows originated. The speaker also referred to paragraph 35 of the outcome document, which recognized the importance of Special Drawing Rights. He emphasized that the issuance of new Special Drawing Rights would have been a more favourable alternative to quantitative easing with its negative consequences on the economies of developing countries. The speaker also recommended that efforts be made to design a debt restructuring mechanism and requested that the Economic and Social Council become the main venue for discussion of experiences on policy spillovers among developed and developing countries.

Discussion

35. During the ensuing discussion, many participants agreed that the lingering effects of the 2008 crisis were at least partly due to insufficient regulation of the international monetary and financial system. For instance, many financial derivatives had yet to be adequately regulated. Some pointed to the fact that membership of the Financial Stability Board included G-20 and a number of countries with financial clout, such as Singapore, but that most developing countries were still left out of the process. Questions were also raised regarding the appropriateness of the regulations for all developing countries, given their different institutional frameworks and financial market development. A number of participants highlighted the special needs of small island developing States in the face of increasing economic and physical vulnerability, especially due to climate change.

36. Many speakers emphasized that the momentum created by the Monterrey Consensus and the Doha Declaration was an extremely valuable process. However, there was widespread agreement that reforms had not gone far enough and that further decision-making power was necessary at the international level. In this respect, several proposals for concrete reforms at the international level were put forward, including an international debt restructuring mechanism and the conversion of the United Nations Committee of Experts on International Cooperation in Tax Matters to an intergovernmental committee.

37. Some participants pointed out that the private sector would invest only if there was a favourable risk-return profile. Consequently, the private sector cannot be looked towards to replace many forms of public spending. In addition, an enabling business environment was crucial to mobilize private sector investment into new and previously underinvested sectors. Finally, it was pointed out that following a phase of quantitative easing in developed countries between 2009 and 2013, capital was actually flowing out of developing countries. It was noted that the private sector had become risk averse after the crisis and was currently sitting on a considerable amount of funds which are not being invested into development.

IV. Round table 2. Mobilization of public and private financing, including foreign direct investment and other private flows, and fostering international trade and sustainable debt financing, in the context of financing for development

38. In his opening statement, the Chair of round table 2, the Permanent Representative of South Africa to the United Nations, Jeremiah Nyamane Kingsley Mamabolo, noted that the financing needs for the economic, social, and environmental dimensions of sustainable development were extremely large, but still represented a relatively small portion of global savings of around $17 trillion in 2012. Since financing needs for sustainable development far outpaced public sector resources, both private and public sources needed to be mobilized domestically and internationally to promote sustainable development. The public sector therefore had an important role to play in incentivizing private investment into critical areas, such as infrastructure, environmental finance, innovation and small and medium-sized enterprises. He also stressed the priority of domestic resource mobilization for

sustainable development, which would be driven by strong inclusive economic growth, supported by effective domestic macroeconomic policymaking and an enabling international environment. However, developing countries faced a range of common challenges in raising resources, which were particularly pronounced in the most vulnerable countries. He also called for enhanced efforts to repatriate funds illicitly acquired to countries of origin, noting that the issue had recently become a topic of high-level policy discussion, not least due to budgetary constraints in developed countries. Moreover, the Monterrey Consensus had committed countries to strengthening international tax cooperation through enhanced dialogue among national tax authorities and greater coordination of their work.

39. The Chair further stressed the importance of reaching a conclusion to the Doha Round of multilateral trade negotiations, which had the potential to restrain protectionist measures and contribute significantly to a faster recovery of the global economy. He expressed hope for the successful outcome of the next ministerial conference of the World Trade Organization to take place in December 2013. Concerning the debt of some developing countries, he noted that in order to enhance the role of foreign borrowing for growth and development, efforts were needed to strengthen three pillars: responsible lending and borrowing, debt management and a framework for sovereign debt restructuring.

Presentations by the panellists

40. Round table 2 featured presentations by Mansur Muhtar, Co-Chair, Intergovernmental Committee of Experts on Sustainable Development Financing and Executive Director of the World Bank Group in Washington, D.C.; Shamshad Akhtar, Assistant Secretary-General for Economic Development, Department of Economic and Social Affairs of the United Nations Secretariat; Erik Berglöf, Chief Economist and Special Adviser to the President of the European Bank for Reconstruction and Development; Renate Hahlen, Head of Unit, Aid and Development Effectiveness and Financing of the Directorate General for Development and Cooperation — EuropeAid of the European Commission, in Brussels; and Bruce Greenwald, Robert Heilbrunn Professor of Finance and Asset Management, at Columbia Business School.

41. Mr. Muhtar (World Bank Group), speaking also in his capacity as co-Chair of the Intergovernmental Committee of Experts on Sustainable Development Financing, pointed to the importance of financing for sustainable development. He highlighted that the Committee would publish a report on a sustainable development finance strategy in August 2013. In that context, he also referred to the seventeenth International Development Association replenishment negotiations, which should be completed in December 2013. In particular, the speaker stressed the continuing critical role of ODA and concessional financing for Africa, especially in fragile and post-conflict countries. In this connection, he commended the new corporate strategy of the World Bank, which would emphasize support of the poorest countries. Given the global economic outlook and continued fiscal pressures on ODA, he called for increased exploration of alternative sources of development finance, including non-traditional donors, innovative financing and private philanthropy, as well as the creative use of the Multilateral Investment Guarantee Agency and the International Finance Corporation resources to crowd in the private sector.

42. Strengthening the capacity of developing countries in fighting corruption, money laundering and illicit financial flows, as well as pursuing measures against transfer mis-pricing and reducing wasteful fuel subsidies were also critical. The speaker highlighted that, ultimately, it was domestic revenue mobilization, driven by economic growth and good macroeconomic management that served as the basis for sustainable development. However, developing countries needed a supportive external environment as embodied in the Busan Global Partnership for Effective Development Cooperation. The speaker referred to the specific example of Colombia where technical assistance by IMF and OECD helped improve tax collection from $20 billion to $50 billion.

43. Ms. Akhtar (United Nations Secretariat, Department of Economic and Social Affairs) emphasized that, despite large resources both in terms of global savings and assets, investments into certain crucial areas of sustainable development, such as infrastructure, small and medium-sized enterprises, innovation and climate financing, remained limited in both developed and developing countries. Reasons for that shortfall included regulatory uncertainty and weak legal frameworks and governance at the country level. Moreover, misaligned incentives, such as short-term-oriented compensation packages, high portfolio manager mobility and other institutional factors posed significant impediments to long-term investment in sustainable development. Consequently, emphasis should be placed on nurturing good macroeconomic management and financial stability, as well as promoting a deeper and more inclusive financial sector. Indeed, enhanced access to financial services for women and the poor, as well as to micro, small and medium-sized enterprises would not only serve development goals such as poverty eradication and employment, but would also broaden and diversify the financial sector and enhance its resilience. Furthermore, greater resources should be mobilized through strengthening and modernizing tax administration and introducing measures that discourage tax evasion and avoidance by the very rich and by multinational corporations. At the global level, ODA remained a significant source of financing for developing countries, particularly for those that do not have sufficient access to other financing flows.

44. Ms. Akhtar highlighted that sectors relevant to sustainable development were deeply interconnected and integrated solutions could leverage synergies and substantially reduce financing needs. She noted that it was important to foster a comprehensive and workable development cooperation landscape where the challenges included: (a) using public resources in a truly catalytic and sustainable manner to unlock private investment (for example, by means of reducing risks, direct risk-sharing or increasing rewards); (b) reducing the complexity, while helping recipient countries navigate to improve access to funding; (c) improving its coverage, coherence, consistency and efficiency; and (d) ensuring that it provided the additional public resources and incentives required to promote sustainable development. Ms. Akhtar further highlighted the potential of public-private sector partnerships to leverage private resources to achieve sustainable development at scale. However, the success of public-private sector partnership transactions depended on effective policy, legal, regulatory and institutional frameworks.

45. Mr. Berglöf (European Bank for Reconstruction and Development) spoke of the experience of the Bank in promoting positive transformations of economies in transition through concessional finance. Since it was founded in 1991, the Bank had provided transformational long-term debt and equity finance, one third of which was

directed at climate mitigation measures in the private sector in 34 countries. As a result, some countries, especially in Central Europe, had experienced rapid productivity growth and structural changes, converging to the level of emerging market countries. Progress was also impressive in the Caucasus and Eastern Europe, with less notable successes in Central Asia and South Eastern Europe, implying a large potential to catch up.

46. The speaker highlighted that the scale of productivity increase was directly related to economic reforms. He referred to some concrete examples that helped illustrate how lending by multilateral development banks could be tailored to support policies underpinning reforms. In the first case, the European Bank for Reconstruction and Development provided credit lines to banks to support energy efficiency through focusing on building their capacity to assess energy-related investment. Subsidies were targeting CO_2 savings, instead of just energy production or volume of credit. Also, subsidies to banks and borrowing enterprises were limited only to the initial credit line, thus allowing only viable projects to be funded. In another case, the Bank catalysed the development of local currency lending and domestic capital markets to reduce the dependence on foreign currency funding through joint analysis and technical assistance in collaboration with other international financial institutions. In the third case, the Bank mobilized institutional investors to provide long-term financing into the region by providing additional capital and offering attractive risk return profiles through its own products and processes. The speaker emphasized that these same approaches could be used in other development areas such as small and medium-sized enterprise development, supporting food security, water efficiency or women entrepreneurs.

47. Ms. Hahlen (European Commission) highlighted the fact that the holistic approach and comprehensive framework enshrined in the Monterrey Consensus and Doha Declaration for Financing for Development remained essential for the post-2015 development agenda. The European Commission had imposed a mandate for member countries to regularly report on their implementation. She referred to the call of the European Commission issued in July 2013 for updating this framework to embrace sustainable development. According to European Commission data, sustainable development financing needs exceeded available resources by a factor of 20. Mobilizing more domestic public finance was an essential objective to increase resources for sustainable development and required economic growth, a better business environment and improved tax collection. However, international support tailored to the needs of each recipient country was also essential, as embodied in the new European Commission comprehensive and integrated approach to financing poverty eradication and sustainable development.

48. Ms. Hahlen stressed the critical role of ODA, especially in the case of least developed countries and the financing of global public goods. In that context, she called on donor countries to honour their commitments. According to European Commission data, over half of global ODA was provided by European Union countries, but the financing available for low-income countries was 45 times smaller than funding available for middle-income countries. She said that a small shift in the profit-driven private sector financing towards public goals could yield enormous benefits, as the effects of corporate social responsibility and environmental standards adopted by private companies could show. The new European Union directive on reporting by transnational corporations was significant for developing countries in this sense, as were transparent and equitable international rules of

finance and trade. According to the speaker, three additional cross-cutting issues of critical importance were: ensuring that financing was used to support good policies, rather than for compensating bad policies; implementing the principles of the global partnership for effective development cooperation; and monitoring their implementation, including through adequate data collection.

49. Mr. Greenwald (Columbia Business School) drew attention to the broader context of financing for development, putting it into a historical perspective. He highlighted that agriculture and foreign direct investment into natural resource extractions had served as the main form of financing for development in peripheral economies until it was overtaken by manufacturing, which brought with it a productivity increase, superior organizational and technological skills and easier taxing opportunities. However, he highlighted that the benefits of export-led growth may decrease over the coming years. Manufacturing was returning to the developed world owing to reduced transportation cost and increased productivity. This would lead to the tremendous challenge for developing countries to build a service economy to promote their development instead of following the more traditional export-led growth model.

50. Mr. Greenwald was of the opinion that facilitating technological diffusion through appropriate institutional development was more important for development than the mobilization of financing, as peripheral economies were disadvantaged in terms of jump-starting service industries. Therefore, he recommended prioritizing international assistance to help the poorest countries, rather than middle-income ones, and to give priority to support local financial systems for better allocation of scarce resources. Within these efforts, it was crucial to take into account the local context and culture. Lastly, he called for issuing Special Drawing Rights in the range of $400 billion to $600 billion annually, to be allocated to deficit countries. This measure would help generate additional export demand that would facilitate the shift required from the manufacturing to services sector.

Discussion

51. During the interactive discussion, delegates re-emphasized the importance of delivering on the commitments to reach the United Nations ODA targets. Some questioned the logic of adding new goals when pledges set out four decades ago had not been honoured. Many delegates reported on their countries' progress towards achieving these goals and stressed that aid effectiveness was equally important as the quantity of aid.

52. Some delegates raised the issue of fighting corruption, stemming illegal flows and promoting international tax cooperation as ways of increasing resources for development. Many noted with concern the stagnation in foreign direct investment inflows into some developing countries, including fragile middle-income economies such as the small island States. Calls were made for a new international agreement on cross-border investment that would take into consideration the development concerns of host countries. The wisdom of prioritizing poor countries over middle-income countries was challenged, given that some countries' high level of indebtedness and vulnerable positions vis-à-vis business cycles in developed countries. In that context, calls were made for alternative criteria for concessionary financing that would take into account factors other than GDP. Participants also highlighted the importance of a regulatory framework that helped the development

of local capital markets. They further emphasized the important role of regional and national development banks in promoting financial sector development.

53. Some speakers raised the issue of insufficient mainstreaming of human rights and gender equality into the financing for development process, and called for making these issues key components of the new development agenda. In particular, ensuring adequate budget support for women's rights and gender equality through participatory budgeting was emphasized.

54. The lack of adequate sovereign debt restructuring mechanisms for orderly debt workout was pointed out as a serious problem by several delegates, and calls were made for full debt relief for least developed countries. There were calls for the United Nations to guide an institution-building process to establish a debt workout mechanism with fair and equitable representation of the interests of debtors.

55. Finally, the need to achieve tangible results in trade negotiations at the forthcoming Bali meeting, including the granting of quota-free and duty-free status to all least developed countries, was emphasized by several delegates.

V. Round table 3. The role of financial and technical development cooperation, including innovative sources of development finance, in leveraging the mobilization of domestic and international financial resources for sustainable development

56. The Permanent Representative of Slovakia to the United Nations and Member of the Intergovernmental Committee of Experts on Sustainable Development Financing, František Ružička, noted that developing countries continued to rely on international support and external resources to finance their sustainable development efforts. Furthermore, he recalled that the Monterrey Consensus urged developed countries to make concrete efforts towards meeting the ODA targets of 0.7 per cent of gross national income to developing countries and 0.15 to 0.20 per cent of gross national income to the least developed countries.

57. Nevertheless, aid was declining just as the world committed itself to accelerating progress towards achieving the Millennium Development Goals by their 2015 deadline, endangering the prospect of achieving internationally agreed development goals. Additional financing resources would have to be mobilized by raising complementary sources in addition to traditional development assistance, such as innovative financing and South-South flows. He also highlighted the importance of increasing the effectiveness of aid.

Presentations by the panellists

58. Round table 3 featured presentations by Pertti Majanen, Co-Chair of the Intergovernmental Committee of Experts on Sustainable Development Financing; Jon Lomøy, Director of the Development Cooperation Directorate of the Organization for Economic Cooperation and Development in Paris; Gargee Ghosh, the Director of Policy and Finance of the Bill and Melinda Gates Foundation; Mauricio Escanero, Alternate Permanent Representative of Mexico to UNESCO;

and Gilles Alfandari, Senior Economist of the International Policy and Partnerships Group of the World Bank.

59. Mr. Majanen (Co-Chair, Intergovernmental Committee of Experts on Sustainable Development Financing) noted that the round table was a useful occasion for outreach for the Intergovernmental Committee of Experts on Sustainable Development Financing. He briefed the round table on its objectives and programme of work, and stressed that the final report on options for a financing strategy for sustainable development would be published in August 2014, based on contributions from all relevant stakeholders. He further highlighted that Committee activities would be based on the legacy of the Monterrey Consensus and the Doha Declaration. Mr. Majanen stated that the work of the Committee should cover financing of sustainable development in its three dimensions, in line with an emerging unified post-2015 development agenda. Financing for development therefore should also focus on emerging issues, including climate change, biodiversity and desertification. He expressed his hope that the Committee would arrive at a proposal for such an integrated and comprehensive financing framework.

60. Mr. Majanen then drew attention to the importance of ODA, which played a critical role in poverty reduction in developing countries, particularly in least developed countries, despite its relatively small size overall. He also noted that it was important to pay attention to both the quality and quantity of ODA. In both areas, more work needed to be done, including meeting international commitments on ODA and enhancing implementation. In this context, he highlighted two key challenges: how to focus ODA on extreme poverty reduction; and how to use ODA to create new partnerships with the private sector and thus catalyse other flows of development financing.

61. Mr. Lomøy (OECD) pointed out that financing for development had been at the core of OECD development work since its creation. He emphasized that the international community had made enormous progress in many areas, including in the reduction of poverty and improvements in health and education. Building on this progress, the post-2015 development agenda could target the eradication of absolute poverty at the global level as a feasible goal for the first time in human history. At the same time, the post-2015 development agenda would have to address new challenges.

62. Mr. Lomøy then discussed three elements of the financing for development framework. He called for additional efforts to increase domestic resource mobilization, including through broadening of the tax base, a reduction of exemptions, more effective taxation of natural resources at the domestic level, and the promotion of a fairer share of international taxation for developing countries, based on the base erosion and profit shifting initiative by OECD, and by tackling the issue of illicit flows. The second element highlighted by Mr. Lomøy related to commercial investments. ODA could play a catalytic role in this regard by leveraging private resources. Moreover, the speaker was of the view that the international community should further discuss the role, trends and effectiveness of ODA, including the list of recipient countries and the graduation process for former recipients of ODA that became donors themselves.

63. Ms. Ghosh (Bill and Melinda Gates Foundation) presented the wide range of activities of the Bill and Melinda Gates Foundation. The Foundation focused its work on poverty reduction, health, agriculture and access to financial services. In

commenting on the previous statements on ODA, she noted that the Foundation analysed strategies to make ODA more effective, focusing particularly on the role of transparency, timely disbursement and a reduction of volatility. Multilateral disbursement mechanisms, rather than bilateral programmes, would contribute to greater effectiveness.

64. Ms. Ghosh further reported that the Foundation was also contributing to innovation in the development financing landscape. More specifically, the Gates Foundation was working on new types of financing instruments in the areas of research and development and the financing of public goods. Initiatives include the Global Health Investment Fund, which invests in late-stage health technologies to bring products to market more quickly, advance market commitments and volume guarantees, and loan buy-down programmes, converting loans into grants upon meeting of performance criteria.

65. Mr. Escanero (Mexico) noted that there was broad agreement that the international community was approaching an important political moment on the issue of financing for development. For this reason, he suggested that the time was right for a follow-up conference on financing for development, enhancing the scope and reach of the Monterrey Consensus and the Doha Declaration, include themes related to financing inclusive and sustainable development in the spirit of the United Nations Conference on Sustainable Development held in Rio de Janeiro in 2012. In his view, the conference should be held before the end of 2015, in order to meaningfully contribute to the post-2015 development agenda. All inputs should be welcomed to ensure that the holistic agenda of Monterrey would be updated and address the three dimensions of sustainable development.

66. Mr. Escanero highlighted two priorities of his own country, Mexico, that were relevant to the discussions. In the area of social inclusion, Mr. Escanero highlighted that many developing countries suffered from unacceptable levels of inequality. Social inclusion should therefore be an important aspect of the post-2015 development agenda. Mr. Escanero recognized that it was imperative to strengthen international cooperation for development, especially at this critical juncture. Mexico had committed to organize the first high-level meeting of the Global Partnership for Effective Development Cooperation in April 2014, seeking to stop the decrease in ODA and to further the understanding of challenges specific to middle-income countries, the specificities of the South-South cooperation, new opportunities for triangular cooperation and potential sources of innovative development financing, among others. Finally, Mr. Escanero reiterated that all existing efforts at the international level should be oriented towards building the political momentum for a unified post-2015 development agenda.

67. Mr. Alfandari (World Bank) noted that the World Bank Group had been an active participant in the deliberations on a post-2015 development agenda and a financing for development framework. He presented, as the World Bank's contribution to the High-level Dialogue, a new paper on the theme "Financing for Development Post-2015". The contribution sought to analyse both the demand and supply of development financing, building on five main pillars: the global development cooperation framework; domestic resources; international aid; private financing for development; and innovative sources of development finance.

68. Mr. Alfandari then discussed aspects of each of the five pillars. On domestic resource mobilization, he highlighted the need to improve tax collection, to harness

sustainable streams of natural resource revenues, to improve expenditure efficiency and to curb illicit flows. On international aid, he noted that ODA had been a relatively stable source of financing, but it was unlikely to increase significantly in the future. On the issue of private development finance, Mr. Alfandari highlighted the importance of foreign direct investment, representing more than 60 per cent of net international capital flows to developing countries in 2012. At the same time, he emphasized the catalytic role that public resources could play in leveraging private resources for development. Finally, he presented several proposals that would be discussed during the upcoming annual meetings of the World Bank, including a global infrastructure facility.

Discussion

69. During the interactive discussion, many speakers highlighted the shortfalls in resources to meet internationally agreed development goals. They highlighted the recent drop in ODA levels, which had a particularly strong negative impact on least developed countries and fragile States.

70. At the same time, participants also highlighted that ODA would need to be complemented by other financing, including domestic resource mobilization, foreign direct investment and private capital flows. The key challenge would be to strengthen synergies between these sources of finance and to use ODA as a catalyst for other financial flows. To fully benefit from and facilitate private sector investments, participants called for new financial tools, such as guarantees and risk mitigation measures, improvements in the enabling environment and targeted capacity-building. They also proposed a funding platform to bring together public and private investors.

71. Speakers noted the positive role that innovative development financing played already and that the effectiveness and feasibility of innovative mechanisms had already been proven in many areas. Successful examples included the GAVI Alliance, the solidarity levy on airline tickets and the financial transaction tax implemented in Europe.

VI. Informal interactive dialogue. The link between financing for development and achieving the internationally agreed development goals, including the Millennium Development Goals, and advancing the United Nations development agenda beyond 2015

72. In his opening remarks, delivered by the Vice-President of the General Assembly, the President of the General Assembly emphasized that, despite significant progress in some areas, more efforts should be directed towards specific Millennium Development Goals where progress was lagging, as well as countries that were facing greater challenges, including landlocked developing countries, least developed countries, small island developing States and countries recovering from disasters. The speaker referred to financing for development as crucial for the Millennium Development Goal process and the post-2015 development agenda. In that context, there was a vital role for donor countries, which must meet their targets for ODA. While the post-2015 development agenda should build on existing

international agreements, including the Monterrey Consensus and the Doha Declaration on Financing for Development, the new partnership for development should address new challenges and emerging issues that require global cooperation, such as climate change and tax evasion. The President also pointed out that this session's discussion would provide input into the Intergovernmental Committee of Experts on Sustainable Development Financing. It could also serve as an opportunity to discuss the proposal for a follow-up conference on financing for development. Generally, this session's dialogue would be an opportunity to assess financing in an integrated manner in the context of the post-2015 development agenda.

Presentations by the panellists

73. The informal interactive dialogue featured three presentations; by Gyan Chandra Acharya, the Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States; Olav Kjørven, the Special Adviser to the United Nations Development Programme Administrator on the Post-2015 Development Agenda of the Bureau for Development Policy of the United Nations Development Programme; and Daniel Titelman, Director of the Financing for Development Division of the Economic Commission for Latin America and the Caribbean.

74. Mr. Acharya stated that in 2013 the global partnership for development fell short of expectations. There had been progress in all three categories of vulnerable countries (least developed countries, landlocked developing countries and small island developing States), including in reducing mortality rates, education, maternal health and women's empowerment. However, upon closer examination, it was found that there remained major challenges and that many of these countries were still very far from meeting the Millennium Development Goals targets in 2015. The post-2015 development agenda would therefore have to incorporate elements not captured in the Millennium Development Goals, while taking into account the unfinished agenda of the Millennium Development Goals. Economic growth had to be a major component of the agenda. Agriculture and the natural capital needed to be integrated as a matter of priority for these countries. The private sector would be essential in financially supporting this development, including through innovative sources.

75. Mr. Acharya stressed that ODA continued to be the primary source of revenue of least developed countries, landlocked developing countries and small island developing States, ahead of foreign direct investment and remittances. The recent fall in ODA to least developed countries was a matter of great concern and needed to be reversed. Moreover, climate change was increasing vulnerability of these countries and would lead to more serious problems in the future. However, the most vulnerable countries had yet to receive an appropriate share of ODA to cope with these problems. Consequently, programmes for long-term resilience building needed to be given due attention and financial support. Domestic resource mobilization was also one major building block of financing for development in these countries. The average contribution to national development efforts should be strengthened through greater investment in agriculture, industry and infrastructure. The development of infrastructure, in particular, would require large funding. Consequently, it was important to look at all sources of financing, including public-private partnerships. Moreover, South-South cooperation would become increasingly important for the

development of least developed countries, landlocked developing countries and small island developing States but not a substitute for ODA.

76. Mr. Kjørven (UNDP) explained that much work had been done in the past year on the post-2015 development agenda. The Secretary-General had proposed key issues and topics to be included in the future sustainable development goals. Citizens around the world had been included in consultations, with over 1.5 million people participating from many walks of life. As a result, there was a much clearer idea of what people wanted, and the key message was, "let us finish what we started". With two years left, the efforts to achieve the themes of the Millennium Development Goals needed to be intensified. Moreover, the quality of health and education, and addressing inequalities, needed to be taken into account. The post-2015 development agenda should tackle challenges related to conflict, fragility and weak governance and the sustainable development goals should take into account environmental considerations. It was important that the future development agenda was rooted in a credible financing framework. The speaker stressed that ODA had declined in 2012 for the second consecutive year, with a 6 per cent fall shown in the latest figures. At the same time, ODA could not and should not be compensated by increasing South-South cooperation. Moreover, further increases in ODA needed to be matched with significant progress in the implementation of the aid effectiveness agenda.

77. Mr. Kjørven also stressed the importance of all sources of finance. Domestic resources should remain the main source of financing for all countries. However, some countries had limited space to increase taxation, so ODA would be vital for the years to come. Building the capacity of tax administrations would decrease aid dependency in the future. Moreover, it was essential to exchange tax information at the international level. In this connection, the speaker highlighted the need to curb illicit financial flows and enable national authorities to better capture national tax revenue. A fully transparent corporate structure would also help in this regard. For the post-2015 development agenda, a key topic was how to catalyse long-term finance from the private sector. Opportunities for blending public and private financing would be crucial, as would be policies that would help incentivize investment and harness these sources. The speaker also highlighted the potential of innovative sources of finance. There was significant room to mobilize greater revenues through airline taxes and taxes on financial transactions. A summit on financing the post-2015 development agenda could identify the full spectrum, help explore partnerships between stakeholders and add political momentum towards establishing one coherent development finance agenda.

78. Mr. Titelman (ECLAC) emphasized that the Monterrey Consensus was the first intergovernmental attempt to address financing for development, adding that the six elements of the Monterrey agenda were still valid. Moreover, new challenges and emerging issues, such as climate change, financial stability through regulation and greater inclusion in the financial sector, had been incorporated in the financing for development process. This thematic expansion had contributed to formulating a financing strategy for the three dimensions of sustainable development. Looking ahead, financing for development should place greater emphasis on financing global public goods. All sources should be harnessed to this end. The speaker highlighted that countries had made important progress towards achieving the Millennium Development Goals, but that progress had been heterogeneous and slow in some areas. According to Mr. Titelman, the landscape of financing for development was

changing, with new actors and new sources appearing, opening a window of opportunity to revisit the whole issue, in particular to discuss again the role of ODA, innovative sources and the importance of global public goods. The Monterrey Consensus reiterated the 0.7 per cent target of GNI. At the same time, ODA had also lost importance relative to other sources of finance. South-South cooperation and philanthropy were playing a stronger and more visible role.

79. Private finance (such as non-concessional loans, equity and private voluntary contributions) was also growing and needed to be further taken into account. This renewed architecture of financing for development needed to continue to highlight the importance of the mobilization of domestic resources and to explore new policies that help develop financial markets and promote savings for long-term financing. Furthermore, Mr. Titelman stressed that the blending of loans and grants had helped leverage both quantity and quality of development cooperation. Moreover, the future financing for development framework must continue to take into consideration innovative mechanisms. In that context, the speaker provided examples of mechanisms that had already been successfully implemented, though not yet on a large scale: new public revenue streams (Special Drawing Rights, global taxes); debt swaps; public private incentives such as guarantees and insurances that allow for private finance; and voluntary contributions using public or private funds. The speaker highlighted the need to streamline challenges related to climate finance into financing for development.

Discussion

80. Many participants strongly agreed that the Monterrey Consensus and the Doha Declaration continued to provide a solid basis for financing within a post-2015 development agenda. Moreover, the creation of the Intergovernmental Committee of Experts on Sustainable Development Financing has highlighted the link between financing for development and sustainable development on one hand, and the post-2015 development agenda on the other.

81. According to some participants, this conjunction of processes created a window of opportunity to include issues that have emerged over the past decade, including the three dimensions — economic, social and environmental — of sustainable development. In this sense, a more holistic approach was necessary for the financing for development process to contribute to the implementation of the post-2015 development agenda, including the sustainable development goals. A number of stakeholders called for greater inclusion of civil society, including representatives of women, youth, indigenous peoples and people who live in rural areas.

82. Since Monterrey, several new issues had risen to the top of the financing agenda that especially affected least developed countries, landlocked developing countries and small island developing States. Climate change was one example, as it sharply increased the vulnerability of least developed countries and landlocked developing countries by exposing them to greater volatility in agricultural output. Climate change also exposed small island developing States to more frequent episodes of extreme weather and sea-level rise.

83. Many discussants advocated for the holding of a follow-up conference to the Monterrey and Doha Conferences. Such conference should cover topics such as combating inequalities and poverty, and take into account the agendas of the United

Nations Conference on Sustainable Development and the United Nations Climate Change Conference held in Copehagen.

84. Participants from the private sector proposed a certain number of measures that would unlock private flows for financing development. First, the idea of a public-private platform was put forward as an institutional framework to facilitate exchange between public and private actors and enable investor confidence. Secondly, it was pointed out that necessary physical, and especially institutional, infrastructure should be in place to attract the private sector. National Governments should play a leading role in addressing barriers to project implementation.

85. At the closing of the sixth High-level Dialogue on Financing for Development, the Vice-President of the General Assembly read out the concluding remarks of the President of the General Assembly. (All the statements by the President of the General Assembly are available at http://www.un.org/en/ga/president/68/statements/. All materials of the Dialogue are available at http://www.un.org/esa/ffd/hld/HLD2013/.)