I. Introduction, overview and key messages

II. The global economic context and its implications for sustainable development

1. Introduction

2. Global and regional growth trends and outlook
   - Brief analysis of global growth trends since 2000 (incl. impact of crises; financing gap translating into a development gap)
   - Outlook: Multiple shocks; heterogenous impact on countries
   - Rising food insecurity, poverty and inequality; Risk of long-term scarring
   - Structural shifts shaping countries’ development prospects (digitalization, geoeconomic fragmentation, climate etc.)

3. Deterioration in public finances
   - Recent adverse shocks will further strain budgets, amid record-high public debt levels and elevated borrowing costs
   - Many developing countries face elevated borrowing costs and higher sovereign debt distress risks
   - Risk of fiscal austerity and cutbacks to investment in sustainable development

4. Monetary and financial stability risks
   - Elevated inflation forcing central banks to further tighten monetary policy – risk derailing growth while exacerbating financial vulnerabilities
   - Impact of tightening global financial conditions on developing countries (capital flow reversals, risk to countries with high debt levels, large external financing needs)
   - Fintech and growing volatility of cryptoassets

5. Weak investment prospects
   - Tightening financial conditions; prolonged uncertainty; trade tensions; reconfiguration of global supply chains
   - Protracted low investment weighing on already weak productivity growth

6. Labour markets
   - Multiple crises posing a threat to labour market recoveries (unemployment, widening inequalities)
   - Future of work – digitalization; rise of gig economy
   - Workers in many developing countries lack access to social protection and jobs support
7. **Climate risks**
   - Increasing frequency and severity of climate-related shocks
   - Impact of climate change loss and damages most pronounced in vulnerable countries

8. **Conclusion**
   - Brief summary of challenges and policies needed, linking to the rest of the report.
III. A. Domestic Public Resources

1. **Key messages and recommendations**
   - Major trends over the last 20+ years
   - Key challenges/questions that Member States should address in a Fourth Conference on Financing for Development

2. **Domestic resource mobilization**
   - Revenue trends from 2000, with gains in revenue over time but setbacks from the pandemic
   - Tax policies: the changing tax mix and implications for the tax base
   - Tax administration: Digitalization, enforcement and cooperative compliance
   - Building integrated medium strategies with public backing

3. **International tax cooperation**
   - Tax transparency trends from 2000, moving from weak international standards to multilateral instruments and automatic information exchange, assessment of future direction
   - International norms on corporate taxation
   - Capacity building for domestic revenue mobilisation, including global, regional and bilateral

4. **Illicit financial flows**
   - Ownership transparency
   - Asset recovery and return
   - Measurement progress

5. **SDG-related expenditure & investment** (Aligning expenditure with the SDGs)
   - Public financial management
   - Gender budgeting
   - Fiscal responses to climate change
   - Social protection expenditure
   - National development banks
III.B. Domestic and International Private Business and Finance

1. **Key Messages and Recommendations**

2. **Investment trends in an evolving global economy: The long view**
   - **Foreign and domestic investment trends** in the context of global megatrends over last 25 years;
   - **Investments trends in sustainable transformations**: sustainable infrastructure investments, investments in the energy transition, etc.

3. **Aligning business with sustainable development**
   - Private sector development, sustainable transformations, and inclusive growth
     - Diversification and structural transformation vs. premature deindustrialization; informality and tax revenue;
     - Aligning business models with sustainable development: assessing progress in key areas of corporate social responsibility, including corporate governance, sustainable supply chains, human rights, decent employment, gender equality, etc.
   - Policy and regulatory responses: enabling business growth for sustainable development
     - New generation of sustainable industrial policies;
     - Building an enabling business environment: business facilitation measures policies and initiatives for stability, efficient infrastructure services, access to finance, etc.;
     - Fostering business activity in developing countries via international financial support: blended finance, etc.

4. **Aligning finance with sustainable development**
   - Sustainable finance
     - Redirecting investments towards the SDGs at scale: from ESG to Impact. Overview of evolution from inception to current trends;
     - Global guidelines and criteria: principles and standards;
     - Policy responses: exploring the rise of sustainable finance legislation to drive sustainable investment and improved business conduct (e.g. taxonomies and disclosure requirements for sustainable business);
     - Enduring challenges and emerging possibilities in developed and developing countries.
   - Inclusive finance
     - Access to finance for firms: evolution and inclusivity of access to financial services and financing for private businesses (with a focus on gender and youth, informality and poverty, and opportunities for SME growth);
     - Access to finance for individuals: access to and cost of formal financial services, remittances; and ability to save.
III.C. International Development Cooperation

1. Key messages and recommendations

2. Official development assistance
   - ODA trends since 2000: ODA by sector (health, education, economic, production, agriculture and food systems, gender, disaster risk reduction etc.), instrument (grants, loans), country programmable aid, country group (Africa, LDCs, LLDCs, SIDS, MICs), and other country groupings (such as countries in food/ protracted crises)
   - Box or section on ODA modernization
   - Access to concessional finance
     - (MVI, more support for MICs, graduation of countries since 2000)
   - Humanitarian finance (including the Grand Bargain, New Deal for engagement in fragile states, addressing the food security crisis, gender perspectives, financing early approaches to reduce the impact of disasters)

3. The role of MDBs
   - Lending trends by volume and terms since 2000: By sector (economic, production), country group (including MICs), instrument (grant, loans, guarantees, equity etc.)
   - The evolving role of MDBs
   - Strengthening the PDB system

4. Blended finance
   - Trends since 2000 (by volume, sector, instruments), particularly since Addis, which put a spotlight on blending
   - Impact (size, impact)

5. South-South cooperation (covering also triangular cooperation)
   - SSC developments since 2000 (including policies, institutional eco-systems, partnerships, and initiatives)
   - Scaling-up innovative finance (e.g. diaspora financing)
   - Progress in measurement
   - Box on innovative measurement tool to measure the flows of SSC – piloted by 7 countries, led by Indonesia and Colombia
   - South-led regional/multilateral development banks

6. Climate change and finance
   - Climate finance (UNFCC 5th Biennial Assessment, second replenishment of GCF, Loss and Damage updates)
   - Climate finance/development nexus
   - Financing for disaster risk reduction and de-risking investment (making financial frameworks risk-informed and fit for DRR)
• Climate finance for agriculture and food crises
• Biodiversity finance

7. **Quality, impact and effectiveness of development cooperation**

• Development effectiveness since Monterrey
• Data on effective development cooperation with trends since Monterrey, evidence from partner countries
• Where we stand today:
  o DCF evolution, DCF Survey results
  o GPEDC Summit outcome
  o Box: Select country level monitoring results of the 2023-2026 Global Round of the GPEDC Monitoring Exercise

* Box on innovative finance and global public goods [since 2000, SG Common Agenda, health (pandemic preparedness or future risks), triple crises, policy solutions and tools e.g. financing DRR and de-risking investments]*
* Box on broader measures of development support (Working Group on Development Support follow-up discussions in UNSC, TOSSD progress)*
III.D. International Trade as An Engine for Development

1. Key Messages and Recommendations

2. Trade trends: Long-term trends in trade since Monterrey
   - Changing trading patterns including boom in services trade: rise of digital services and the “servicification” of manufacturing.
   - Rise (and plateauing) of global and regional value chains and implications for developing countries’ development.
   - Rising South-South trade.
   - [Lack of] progress towards growth and diversification of developing countries’ exports and role of commodities, including for LDCs.

3. The multilateral trading system: Changing scope and geographies
   - Fragmentation and move towards regionalization: rise in mega-regional trade agreements.
   - Changing nature of trade and investment agreements towards more “beyond the border” measures.
   - Policy coherence in trade in this new fragmented environment: Domestic enabling environments, coherence among bilateral and regional trade and investment agreements.

4. Trade and development financing
   - Trade finance: Trade finance gaps and instruments.
   - Aid for trade: Recent steps to support economic and export diversification and sustainable trade.
   - Trade as a source of development finance: Trade as a source of foreign currency; trade and global imbalances; trade and FDI patterns.
   - Rising impact of services trade on global imbalances: Risks and opportunities.

5. Synergies between trade and sustainable development: Mainstreaming trade and sustainable development
   - Link with industrialization including value chain upgrading.
   - Environmental impact of trade: Trade and climate change, Plastic pollution, and biodiversity loss.
   - Social dimension: Trade and inequalities as well as the gender perspective.
   - Digitalization: Impact of technological changes and digitalization on trade.
III.E. Debt and Debt Sustainability

1. Key messages and recommendations

2. Overview of global debt trends
   - Debt and debt vulnerability trends
     - Debt trends across income groups over the last 20 years: from easing of debt concerns early in the millennium to rising levels and complexity
     - Evolution of debt vulnerabilities in recent years
   - Drivers of debt and debt vulnerabilities
     - Changing global macro-financial landscape (growth, commodity prices, inflation, exchange rates, global financial cycles, and others)
     - Cascading external shocks and crises
     - Rising financing needs for SDGs and climate actions
     - Domestic factors (limited progress in domestic revenue mobilization, public financial management/debt management, and governance, elevated borrowing, inadequate investment policies, lack of reforms, etc.)

3. Debt financing for sustainable development
   - Effective and efficient use of debt financing for achieving sustainable development and safeguarding debt sustainability (need for stepped-up concessional financing; strengthen investment to build resilience to shocks (climate, health, economic, etc.))
   - Debt instruments for advancing the alignment and sustainable financing for the SDGs
   - Implications of debt crises for sustainable development

4. Debt crisis prevention and resolution – progress made and challenges ahead
   - Debt crisis prevention
     - Progress, unfinished agenda and new initiatives: debt management, debt transparency, and responsible borrowing and lending, innovative instruments and clauses to mitigate risks of debt crises
   - Debt crisis resolution
     - Impact of delays in debt restructuring
     - Evolution of contractual approaches and their role in resolving debt crises (pari passu clause, collective action clauses, “most favoured creditor” clauses, state-contingent debt instruments, and others)
     - Domestic debt restructurings
     - Global architecture – from HIPC to post-pandemic efforts (DSSI, Common Framework, creditor coordination on other debt restructuring cases, and Global Sovereign Debt Roundtable)
     - Challenges and gaps in architecture for debt resolution
III.F. Addressing Systemic Issues

1. **Key messages and recommendations**
   - Major trends over the last 20+ years
     - Global imbalances, reserve accumulation, slow decline of dollar dominance (EUR/CNY), global governance slow reforms
     - Shocks, especially the 2008 financial crisis - central role of US markets and instruments
   - Key challenges/questions that Member States should address in a Fourth Conference on Financing for Development

2. **Global financial safety net**
   - Trends in capital flows and capital account management from 2000
   - Overview on the composition of the global safety net
     - Trends in reserves accumulation & SDRs since 2000
     - Bilateral mechanisms
     - Multilateral mechanisms - including IMF and Regional Financing Arrangements

3. **Financial market regulation and supervision for sustainable development**
   - Banking regulation and supervision since 2000, from Basel I to Basel III
   - Non-bank financial intermediation, trends since 2000 & impacts on real economy
   - Addressing climate change in regulation & supervision, including double materiality

4. **Payments and market infrastructure**
   - Correspondent banking & cross-border payments
   - Digital financial services
   - Central bank digital currencies

5. **Global governance and policy coherence**
   - Governance at international institutions and standard-setting bodies, trends since 2000
   - Coordination and policy coherence
III.G. Science, Technology, Innovation and Capacity Building

1. Key messages and recommendations

2. Transformational but uneven impacts of rapid technological change
   • STI as key means of implementation and driver of progress on the SDGs: opportunities and challenges
     o Eradicating poverty and addressing different forms of deprivation
     o Improving resilience of societies amid cascading crises
     o Supporting climate change mitigation and adaptation
     o Transforming labour market and economic structure
     o Changing institutions and the balance of public and private power
     o Generative AI: potential in accelerating and amplifying the development impact of technology
   • Rapid evolution of the global technology frontier
   • Persistent technological divide
     o Uneven access to and usage of technology between and within countries
     o High geographic concentration of innovation
     o Innovation and technology diffusion amid geoeconomic fragmentation of the global technological landscape
   • Major policy developments at national and global levels
     o Leveraging technology for achieving sustainable development
       o Directing innovation towards solving major development challenges
       o Addressing the unintended consequences of technology
       o Encouraging public input into decision-making processes concerning technology regulation
     o Closing the technological gap between and within countries
       o Placing technology and innovation policy at the center of national and global development framework (supply- and demand-side policies; data governance, etc.)
       o Trade and technology transfer
       o Intellectual property rights policy
       o Competition policy (competition in tech industry; digital platforms, etc.)
   • International cooperation and capacity building
     o International development cooperation in STI (transfer of technology and technological and innovation capabilities, etc.)
     o Technology Facilitation Mechanism and Technology Bank for the LDCs – key milestones since the Addis Ababa Action Agenda
     o Other UN system actions
3. Technology and financing for development: fintech, and the implications of STI for action areas of the Addis Ababa Action Agenda

- Fintech
  - Financial inclusion
    - Evolution of fintech and financial inclusion
    - The trinity of finance, technology, and development divides
    - Enhancing the contribution of technology to financial inclusion
      - Policy developments
      - International cooperation and capacity building
  - Implications for the development of the financial sector
    - Market stability
    - Consumer welfare
    - Financial integrity
    - Mitigating the risks posed by technology to the financial sector
      - Policy developments
      - International cooperation and capacity building
- Implications of STI for action areas of the Addis Ababa Action Agenda
  - Domestic public finance
  - Private business and finance
  - International development cooperation
  - International trade
  - Leveraging technology to boost progress in achieving the Addis Ababa Action Agenda
    - Policy developments
    - International cooperation and capacity building
IV. Data, Monitoring and Follow-up

1. Key messages and recommendations
   - Major trends over the last 20+ years
   - Key challenges/questions that Member States should address in a Fourth Conference on Financing for Development

2. Data frameworks
   - Beyond GDP (including reference to MVI report)
   - Development indicator frameworks since 2000, from MDG indicators to SDG indicators
   - Financial data frameworks since 2000, Data Gaps Initiatives 1/2/3

   BOXES: select areas of FfD data that need improvement: e.g. Revenue statistics, comparable expenditure data, Sustainable private finance data, debt data, etc.

   - Gender data, incl. trends in data on unpaid care work and time use
   - Big data, trends and results since 2000

3. National statistical systems and funding
   - Trends in performance of statistical systems
   - Trends in funding for data and statistics, covering national spending (if possible) and ODA/capacity building