

First session of the Preparatory Committee for the fourth International Conference on Financing for Development

Multi-Stakeholder Round Table Discussion on “Cross-cutting Issues”

Wednesday, 24 July 2024, 10:00 – 11:30 a.m.

Concept Note and guiding questions

The Addis Ababa Action Agenda (Addis Agenda) recognizes that achieving the 2030 Agenda for Sustainable Development, including the Sustainable Development Goals (SDGs), requires ambitious, comprehensive, holistic and transformative means of implementation. In this context, it stresses that each country has primary responsibility for its own social and economic development, while recognizing that national development efforts need to be supported by an enabling international economic environment. It notes that there are considerable synergies across the SDGs and identified a range of cross-cutting areas that build on these synergies.

One important area of progress in integrating planning and policy functions for sustainable development and align global and national approaches has been that a growing number of countries have adopted **integrated national financing frameworks (INFFs)** since the Addis Agenda first introduced the concept. More than 80 countries are taking forward INFFs, 13 governments or sub-national governments have developed and operationalized financing strategies.

The Addis Agenda also features cross-cutting commitments on **1) delivering social protection and essential public services for all; 2) scaling up efforts to end hunger and malnutrition; 3) establishing a new forum to bridge the infrastructure gap; 4) promoting inclusive and sustainable industrialization; 5) Generating full and productive employment and decent work for all and promoting micro, small and medium sized enterprises; 6) protecting our ecosystems for all; and 7) promoting peaceful and inclusive societies**. Several of these have received enhanced attention in the Financing for Development follow-up process.

While there has been progress across these areas, many challenges remain. For example, most countries have social protection schemes in place, anchored in national legislation, that cover all or most areas of social protection. But financing gaps remain large, and extending a social protection floor to all was estimated to cost an additional \$1.2 trillion per year or 3.8 per cent of world GDP in 2020.

Questions for Discussion

1. Integrated national financing frameworks

- How can INFFs facilitate scaled up investments for SDGs and climate action at the country level, and how could the international community, including bilateral and multilateral providers, make better use of these country-owned frameworks to align support?
- What role could they play in a strengthened FfD follow-up process?

2. Social protection and essential public services

- How can the commitment to universal social protection be realized in all countries and what role should different financing mechanisms play, particularly in the least developed countries?

3. Inclusive and sustainable industrialization

- Can international institutions play a stronger role in providing financing and capacity support to a new generation of inclusive and sustainable industrial policies?
- How do trade and investment rules need to be adjusted so that developing countries have sufficient policy space to pursue sustainable industrial transformations, while avoiding a rise in protectionism and further fragmentation of the global economy?