



## Backgrounder

### Financing for #OurCommonFuture

#### About the Conference

The [Fourth International Conference on Financing for Development \(FFD4\)](#), set to take place in Sevilla, Spain, from 30 June to 3 July 2025, will bring together leaders and delegates from around the world to advance collective solutions to the pressing financing challenges threatening the achievement of the Sustainable Development Goals (SDGs) and the vision of a future where no one is left behind.

With only 17 percent of the SDG targets on track, the Conference aims to drive action to unlock greater volumes of capital at a lower cost and reform the international financial architecture, ensuring it better serves the needs of developing countries and supports the achievement of the 2030 Agenda.

The Conference will provide a crucial platform for governments, international organizations, financial institutions, businesses and civil society to advance the transformative changes in financing for sustainable development that the world urgently needs. It will provide a unique opportunity for key stakeholders to engage in inclusive multilateral dialogue and collaborate on actionable, collective solutions to the shared global challenges we face.

Building on the [Addis Ababa Action Agenda](#) and the commitments made in the [Pact for the Future](#), adopted in 2015 and 2024 respectively, discussions will focus on two overarching goals aimed at charting a path towards a more sustainable future: delivering a large-scale impact-focused investment push, and reforming the international financial architecture.

The FFD4 Conference will serve as a pivotal opportunity to deliver ambitious commitments and concrete actions that strengthen multilateralism and advance international cooperation on financing for sustainable development for all.





## Action Areas

The Addis Ababa Action Agenda outlined seven key **action areas** that serve as the global framework for financing sustainable development. These action areas also form the foundation of the FFD4 outcome document. Selected actions in the First Draft are included below.

### Domestic Public Resources

Domestic public resources are at the heart of financing sustainable development and must be bolstered by international action. This includes enhanced domestic resource mobilization, stronger international tax cooperation, and robust measures to prevent and combat illicit financial flows and corruption. Additional support is needed to help countries achieve an indicative target of raising social protection coverage by 2 percentage points of the population annually.

### Domestic and International Private Business and Finance

Private business activity, investment and innovation are key to driving sustainable development, economic growth and job creation. A new impact-focused approach to leveraging private finance is needed, alongside a facility to promote local currency lending. Blended finance initiatives should prioritize sustainable development outcomes over simply maximizing quantity or leverage.

### International Development Cooperation

International development cooperation plays a vital role, particularly in the poorest and most vulnerable nations. A reformed development cooperation architecture is required to reduce fragmentation and enhance impact by establishing inclusive, country-led platforms at the national level, involving the UN, public development banks and the private sector. Measures are needed to reverse the recent decline in total Official Development Assistance (ODA) and realign flows to prioritize the needs of the poorest and most fragile nations. This includes increasing the share of flows that are programmed at the country level and geared toward long-term, sustainable development.

### International Trade as an Engine for Development

Concrete measures are necessary to enhance developing countries' capacity to trade and add value, particularly for those furthest behind. A commitment to multilateral trade frameworks that safeguard policy space for sustainable development should be





reaffirmed. Support for the least developed countries (LDCs) must include help with industrializing and removing trade barriers, such as escalating tariffs, that hinder local processing of natural resources. LDCs should receive support in developing industrial policies that build resilience and elevate their economic standing.

### **Debt and Debt Sustainability**

Debt crises must be prioritized, as over 40% of people living in extreme poverty reside in countries facing severe debt issues. A development-oriented debt architecture is essential to ensure that countries can borrow sustainably while also offering debt relief to heavily indebted developing nations. A strengthened facility should provide financial and capacity support for countries facing high debt servicing costs and high capital costs. Additionally, an intergovernmental process at the UN, building on existing frameworks, should address gaps in the sovereign debt architecture and seek to enhance long-term debt sustainability.

### **International financial architecture and systemic issues**

The international community must collaborate to ensure that the global financial architecture is more efficient, equitable and responsive to today's challenges. Governance reforms to enhance the voice and representation of developing countries, including restoring IMF basic votes and realigning quotas, should be pursued. There must be a commitment to expanding the provision of resources for rapid disbursement in response to crises, such as through an IMF multilateral swap line. A redefined approach to Special Drawing Rights (SDRs) is necessary to expedite their issuance, timeliness and allocation. Complementary measures are needed to improve credit ratings and enhance financial regulation to promote the stability and sustainability of the financial system.

### **Science, Technology, Innovation and Capacity Building**

National and international efforts must be coordinated to close digital divides, leverage technological advances for sustainable development, and unlock digital technology's potential for financial inclusion. Investment in digital public infrastructure and digital public goods should be prioritized as part of national financing frameworks. Equitable access to artificial intelligence must also be ensured, allowing all countries to benefit from its transformative potential. Aligning investments and policies in digital innovation can drive inclusive, sustainable development for all.

