



Federal Ministry  
for Economic Cooperation  
and Development



**Engendering Fiscal Space: The Role of Macro-Level Economic Policies, External Debt, Concessional Finance, Special Drawing Rights, and Economic Modelling**  
(Side Event during the 2025 ECOSOC Forum on Financing for Development & 4th PrepCom for the Fourth Financing for Development Conference)

Organized by UN Women with the support of the German Federal Ministry for Economic Cooperation and Development, the Permanent Mission of Spain to the United Nations and the Levy Economics Institute of Bard College

**Wednesday 30<sup>th</sup> April 2025 10:00-11:30 AM**

**UN Women HQ, 220 East 42<sup>nd</sup> St, 20<sup>th</sup> Flor, NY 10017. Conference Room 2019**

**In person registration: Link [HERE](#)**

**Online participation: Zoom link [HERE](#)**

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**Background:**

Five years removed from the onset of the outbreak of the COVID-19 pandemic, countries around the world continue to grapple with the economic fallout. As the crises unfolded, many governments in advanced and emerging economies around the world rightfully responded by implementing expansionary monetary and fiscal policies. After a strong initial rebound from deep recessions, the pace of recovery of the global economy has slowed significantly.

Today, the reversal of early pandemic fiscal expansion and monetary tightening by central banks around the world to combat inflation are putting enormous strains on economies, and labour markets. According to recent forecast Global growth is projected at 3.3 percent both in 2025 and 2026, below the historical (2000–19) average of 3.7 percent. High interest rates and quantitative tightening in advanced economies continue to pose a massive challenge for developing countries, threatening to push a growing number of them into debt default.

As a result, in many developing countries, growth prospects have deteriorated amid rising external borrowing costs. In Sub-Saharan Africa and Latin America and the Caribbean, per capita GDP is expected to increase marginally in 2025 (1.56 per cent and 1.75 per cent respectively), reinforcing a longer-term trend of stagnating economic performance. Emerging market and developing economies are projected to grow by 4.21 per cent in 2025 and 4.35 per cent in 2026, significantly below the 7 per cent growth target set under the 2030 Agenda to achieve the SDGs.

Against this backdrop, no meaningful progress on gender equality can be achieved without adequate financing to enable Member States to fulfil their commitments to human rights and the empowerment of women and girls. This would mean expanding fiscal space under challenging debt constraints for many low- and middle-income countries and using counter-cyclical fiscal and monetary policies to accelerate economic recovery.

Yet, recent evidence shows that 3.3 billion people live in countries that spend more on interest payments on debt than on either education or health, and more than half of developing countries allocate at least 8 per cent of government revenues to interest payments, a figure that has doubled over the past decade.

Furthermore, declining global commitments to international aid continue to hamper progress on gender equality and the empowerment of women and girls. For the first time in a decade, the share of official development assistance (ODA) with gender equality objectives has declined, dropping from 45% in 2019-20 to 42% in 2021-22, while development finance often lacks a gender perspective limiting its effectiveness.

Despite significant progress in the past few decades, gender disparities persist in many areas, including access to education, healthcare, economic opportunities, and political participation. Financing for gender equality is crucial to address these disparities and achieve the Sustainable Development Goals (SDGs), particularly SDG 5: Gender Equality.

Against this backdrop, the Fourth International Conference on Financing for Development (FfD4) presents a pivotal moment to address the critical intersection of gender equality, macroeconomics, and public finance. While progress has been made in recognizing the importance of gender equality, significant gaps remain in translating commitments into concrete financing actions. Current financing models often fail to adequately address the specific needs and priorities of women and girls, perpetuating existing inequalities and hindering progress towards achieving the Sustainable Development Goals (SDGs).

### **Objectives:**

This side event aims to provide a platform for gender equality advocates to put **financing for gender equality** at the forefront of the discussions during FfD4. The event will help shape the broader discourse on public finance and the **importance prioritizing gender equality** as a goal in itself. Ultimately, we aim to explore how to leverage alternative financing mechanisms to promote gender equality. Specifically, we'll explore what it will take to expand fiscal space for greater investment to promote gender equality and expand women's economic and social rights.

Importantly, the event aims to highlight the urgent need for gender-responsive financing strategies within the broader FfD4 framework. It will provide a platform for dialogue and knowledge sharing, showcasing innovative approaches and best practices for mobilizing and allocating resources to advance gender equality and women's empowerment. By emphasizing the economic and social benefits of investing in women, this event will advocate for a fundamental shift in financing paradigms to ensure sustainable and inclusive development for all. The discussion will focus on the following key areas:

1. What role could debt, SDRs, and other instruments play in expanding fiscal space? Could innovative financing options (gender/green bonds, debt swaps, other innovative financing mechanisms/instruments) be part of the solution?
2. What role could fiscal/monetary/macprudential policy be leveraged to enable increased investment to promote gender equality and women's empowerment?
3. Is there a role for economic modeling in assessing alternative financing options and their gendered impacts?
4. How to build a unified framework to bring together these alternative mechanisms to finance gender equality?
5. How could we leverage the momentum of the Fourth International Conference on Financing for Development (FfD4) to translate commitments into concrete financial actions for sustained investment on gender equality and the empowerment of women and girls?

### **Expected Outcome**

- ✓ Increased awareness of the urgent need for financing gender equality initiatives in a context of a global pushback against gender equality and the empowerment of women and girls.
- ✓ Identification of concrete financing mechanisms, strategies, best practices and partnerships for scaling up investments in gender equality.
- ✓ Enhanced collaboration among stakeholders to advance the agenda on financing for gender equality.
- ✓ A set of concrete recommendations for policymakers and international stakeholders on addressing gaps in financing for gender equality.
- ✓ Increased visibility of the importance of gender equality within the FfD4 process.

### **Target Audience**

- Government officials from ministries of economy and/or finance, Ministries of Foreign affairs and Development Cooperations, Ministries of gender equality, social development.

- Representatives from multilateral development banks and international financial institutions.
- Philanthropic Institutions working on gender and economic justice
- Civil society organizations working on gender equality and fiscal justice.
- UN Agencies working on public/development finance, gender, social/economic policies.
- Academics and researchers focused on development finance and gender equality.

#### **Format:**

The event will include presentations by several feminist economists, followed by an interactive session to facilitate dialogue and exchange of ideas. Participants will have the opportunity to engage with experts, share their experiences, and contribute to the development of actionable recommendations.

#### **Provisional Agenda:**

<b>10h00-10h15</b>	<b>Opening remarks</b> <ul style="list-style-type: none"> <li>• <b>Jemimah Njuki</b>, Chief of Economic Empowerment Section, UN Women</li> <li>• <b>Martina Metz</b>, Director, Development economics and development banks German Federal Ministry for Economic Cooperation and Development</li> </ul>
<b>10h15-10h45</b>	<b>Panel - Engendering Fiscal Space: The Role of Macro-Level Economic Policies, External Debt, Concessional Finance, Special Drawing Rights, and Economic Modelling: A set of policy tools</b> <ul style="list-style-type: none"> <li>• <b>Anuradha Seth</b>, International consultant and former Senior Policy Advisor on Macroeconomics at UN Women.</li> <li>• <b>Stephanie Seguino</b>, Professor of Economics, University of Vermont</li> <li>• <b>Ilene Grabel</b>, Distinguished University Professor at the University of Denver and co-director of the graduate program in Global Economic Affairs (GEA) at the Korbel School.</li> <li>• <b>Ajit Zacharias</b>, senior scholar and director of the Institute's Distribution of Income and Wealth program, Levy Institute</li> </ul> Moderated by <b>Mamadou Bobo Diallo</b> , Economics Specialist, Economic Empowerment Section, UN Women
<b>10h45-11h25</b>	<b>Interactive dialogue</b> <p>Moderated by <b>Raquel Coello Cremades</b>, Policy advisor macroeconomics and global lead on care, UN Women</p>
<b>11h25-11h30</b>	<b>Final comments and closing Remarks</b> <b>Pavlina R. Tcherneva</b> , President, Levy Economics Institute