

***Preparatory Process for the
Third International Conference on Financing for Development***
Substantive informal session: he Global Context

10 November, 3:00 - 6:00 p.m., Trusteeship Council Chamber, United Nations, New York

The global context has changed considerably since the adoption of the Millennium Declaration in 2000 and the Monterrey Consensus in 2002. Global economic strength is spread amongst more countries. Innovations, especially in digital technology, have opened both new opportunities and challenges. At the same time, the financial crisis revealed global vulnerabilities and the deficits of the international financial system. While some MDGs have been achieved, other social and economic concerns have arisen, particularly the widening inequality of income and wealth in many countries and its impact on societies. While extreme poverty has been halved, more needs to be done.

There is a greater recognition of the imperative to address climate change and its risks. The effects of global warming on human and economic development are already visible, making it more imperative than ever to cooperate more effectively in both mitigation and adaptation to these challenges. At the 2012 United Nations Conference on Sustainable Development (Rio+20), the international community agreed to undertake a major effort to promote and mainstream sustainable development in its three dimensions.

Yet, prospects are for slow global economic growth in the medium term, with adverse consequences for the growth of world trade and the exports of developing countries in particular. Much work remains to be done to meet the commitments of Monterrey on systemic reforms to deliver a more enabling international economic environment for development.

Programme

Substantive informal session: The Global Context

10 November, 3:00 - 6:00 p.m., Trusteeship Council Chamber, United Nations, New York

Co-Chairs: H.E. Mr. George Wilfred Talbot (Guyana)
H.E. Mr. Geir O. Pedersen (Norway)

Keynote address: [Ms. Helen Clark](#), Administrator, UNDP

Panel discussion

Moderator: [Mr. Alexander Trepelkov](#), Director, Financing for Development Office, UN-DESA

Panel 1

Presentations by the panellists:

- [Mr. Maged Abdelaziz](#), Under-Secretary-General, Special Adviser on Africa
- [Mr. Pablo Fonseca Pereira dos Santos](#), Secretary for Economic Monitoring, Ministry of Finance, Brazil

Questions & answers

Panel 2

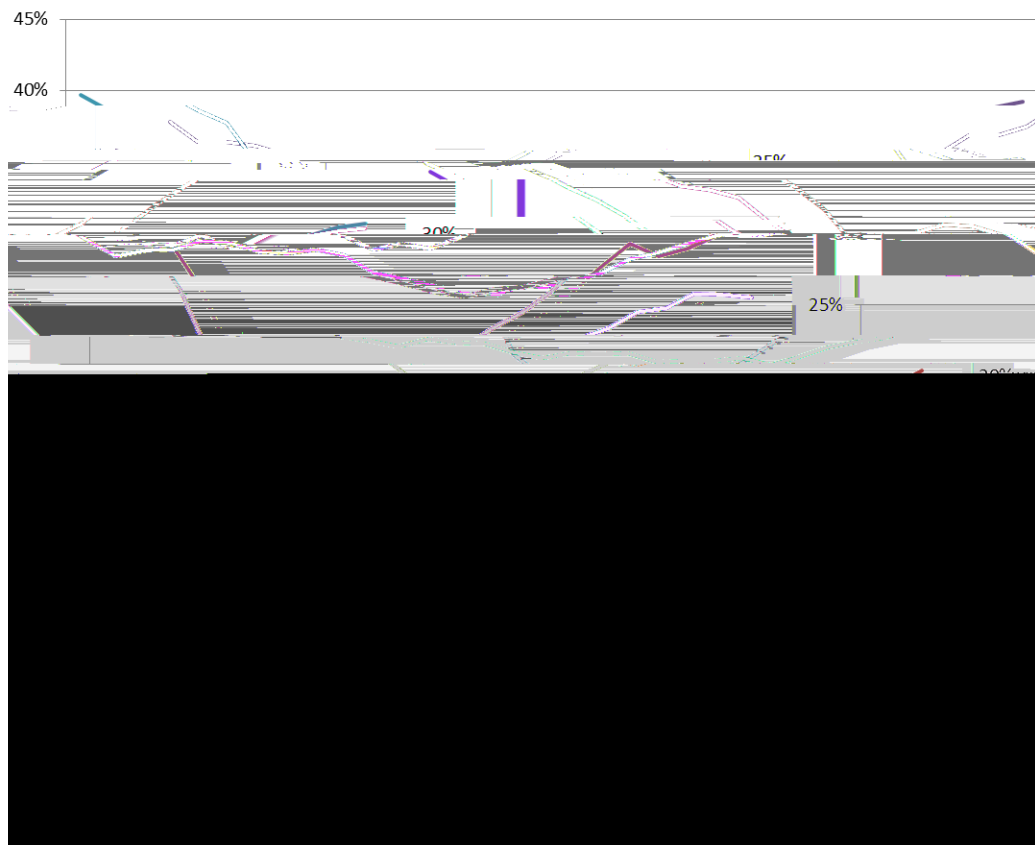
Presentations by the panellists:

- [Mr. Seán Nolan](#), Deputy Director, Strategy, Policy & Review Department, IMF
- [Ms. Shari Spiegel](#), Chief, Policy Development and Analysis Branch, Financing for Development Office, UN-DESA
- [Dr. James Manyika](#), Director (Senior Partner), McKinsey Global Institute; Vice Chair, President's Global Development Council, USA

Questions & answers

Interactive discussion

Figure I: GDP per capita, relative to advanced economies²



The post-2015 development agenda

Against the backdrop of a fragile recovery of the global economy, the world community is formulating an ambitious and transformative post-2015 development agenda. The Open Working Group of the General Assembly on Sustainable Development Goals, initiated by the United Nations Conference on Sustainable Development (Rio+20), has put forward a proposed set of 17 goals and 169 associated targets. This proposal was developed by Member States, but with extensive engagement from external stakeholders, including business and civil society.

While poverty eradication will remain at its core, the post-2015 development agenda should balance the economic, social and environmental dimensions of sustainable development. It is generally agreed that the agenda should be firmly anchored in universally accepted values and principles and complete the unfinished business of the Millennium Development Goals, while building upon their strengths.

Financing for sustainable development

An ambitious sustainable development agenda will need to be complemented by a comprehensive financing framework to provide its means of implementation. The third International Conference on Financing for Development, to be held in Addis Ababa from 13 to 16 July 2015, is expected to be a milestone in forging consensus on a renewed global

² Calculations based on the *World Economic Outlook – Recovery Strengthens, Remains Uneven* (Washington, D.C., International Monetary Fund, April 2014).

partnership for sustainable development, underpinned by a holistic and comprehensive financing framework. The Conference will build on the Monterrey Consensus and Doha Declaration, while addressing new challenges. The report of the Open Working Group, and in particular Goal 17, which calls for strengthening the means of implementation and revitalizing the global partnership for sustainable development, will serve as an important input to the Conference.

The Intergovernmental Committee of Experts on Sustainable Development Financing, established in follow-up to the Rio+20 Conference, has delivered its report proposing options for a sustainable development financing strategy.³ The report makes three major contributions: it develops an analytical framework for financing sustainable development; it proposes a basket of over 115 policy options for countries to choose; and it suggests areas for advancement of the global partnership for sustainable development. The report incorporates global challenges, such as combatting climate change, into the conceptual framework. Relatedly, it addresses the economic, social and environmental dimensions of sustainable development in an integrated m

Transformational technologies and innovation

Transformational technologies and innovation bear huge potential to contribute to sustainable development, particularly in emerging economies. In 2012, the internet in developed countries contributed on average 3.4 per cent of GDP, compared to 1.9 per cent in emerging economies. Simultaneously, internet penetration from 2008-2012 grew by 25 per cent per year in emerging economies, compared to 5 per cent per year in developed countries.⁵ One out of numerous examples for the transformational role of information and communication technologies is their potential to enable poor people to receive financial services at low cost. Branchless banking and mobile banking technologies can be used in making government-to-people payments (wage, pension and social welfare payments) with lower administrative costs and fewer leakages, plus an additional beneficial effect on tax collection. The transfer of technology can be supported by partnerships between nascent and established markets.

Guiding questions

- 1. The global context evolved since the Millennium Declaration in 2000 and the Monterrey Consensus in 2002. What are the expectations for the next 15 years? What are the views of the different actors?*
- 2. What do the major trends and data on financing tell us about the outlook for financing the thre.024 43matWhat*