Zero draft 2019 ECOSOC Financing for Development (FfD) Forum

This document has been collectively developed by the Civil Society Financing for Development (FfD) Group, a very broad platform of civil society organizations, networks and federations from around the world, that followed closely the FfD since its origins, facilitated civil society's contribution to the Third International Conference on FfD, and continues to provide a facilitation mechanism for the collective expression of civil society in the FfD Follow-up process.

More information can be found on the CSO FfD Group's website: https://csoforFfD.org/about/ While the group is diverse and positions might differ on specific issues, this document expresses the elements of common concern.

The column in the middle contains summaries of comments – further elaboration is available on request. The column on the right contains alternative text suggestion. **Bold underline** represents additions, ~~strikethrough~~ = suggested deletions.

	Zero Draft	Comments	Alternative Suggestion
1.	We, ministers and high-level representatives, have met in New York at UN Headquarters from 15 to 18 April 2018 at the fourth ECOSOC Forum on Financing for Development. We express our resolve to continue to work and to scale up our efforts towards the full and timely implementation of the Addis Ababa Action Agenda of the Third International Conference on Financing for Development, including addressing challenges in domestic public resource mobilization, private investment, development cooperation, trade, debt, systemic issues, technology and data. We recall that the Addis Ababa Action Agenda is an integral part of the 2030 Agenda for Sustainable Development, contextualizing its means of implementation targets with concrete policies and actions.		

2.	We welcome the progress made in the implementation of the Addis Agenda. We reaffirm the intergovernmentally agreed conclusions and recommendations of the previous ECOSOC FFD Forums. We acknowledge that the Sustainable Development Goals are increasingly incorporated in public budgets and development cooperation efforts and we also recognize that private sector interest in sustainable finance is growing. At the same time, we note with concern that progress has not reached the required scale and speed. We are determined to focus our action on concrete measures that will help in effectively tackling the implementation gaps, taking full advantage of the new opportunities.	The FFSDR report (IATF report) directly says that private sector investment (action) is NOT growing, but the text makes a maneuver that says that "private sector interest" not investment is growing. In fact, if anything, the FFSDR says that short-term investments that are not suitable for SDGs are growing. Here is a quote from p. 4 of the 12 March version: *Yet, a more uncertain world begets more short-term behaviour. Private businesses, many of whom already face a range of short-term incentives, hesitate to commit funds to long-term investment projects. During periods of financial insecurity, households often focus on their immediate needs. And policymakers are often guided by short-term political cycles.*	We acknowledge that the Sustainable Development Goals are increasingly incorporated in public budgets and development cooperation efforts and we also recognize that private sector interest in sustainable finance is growing **though actual investment in long-term projects is declining**.
3.	We are meeting against a backdrop of an increasingly challenging global environment. World economic growth has likely peaked, at around 3 percent, with per capita GDP growth significantly below levels needed to eradicate extreme poverty in many least developed countries. Investments that are critical to achieving the SDGs remain underfunded. Systemic risks are rising, including increasing debt, and parts of the multilateral system are under strain. We recognize that in this difficult context may lie opportunity to reshape both national and international financial systems in line with sustainable development. We are		We are meeting against a backdrop of an increasingly challenging global environment. World economic growth has likely peaked, at around 3 percent, with per capita GDP growth significantly below levels needed to eradicate extreme poverty in many least developed countries. Investments that are critical to achieving the SDGs remain underfunded. Systemic risks are rising, including increasing debt, **rising inequality,** and parts of the multilateral system are under strain. We recognize that in this difficult context may

	determined to take advantage of these opportunities through collective action at the global level to advance financing for development. At the national level, to further implement the Addis Ababa Action Agenda, we will strive to develop integrated national financing frameworks in support of our national sustainable development strategies. We encourage the Inter-agency Task Force on Financing for Development to continue to develop its methodology and work on integrated national financing frameworks, including further elaborations of policy toolkits most useful for different types of countries and sectors, and report on lessons learned from early efforts to develop such frameworks. We invite the international community and all relevant stakeholders to support these endeavors.		lie opportunity to reshape both national and international financial systems in line with sustainable development. We are determined to take advantage of these opportunities through collective action at the global level to advance financing for development. At the national level, to further implement the Addis Ababa Action Agenda, we will strive to develop integrated national financing frameworks in support of ~~our~~ **nationally owned** ~~national~~ sustainable development strategies. We encourage the Inter-agency Task Force on Financing for Development to continue to develop its methodology and work on integrated national financing frameworks, **consistently with the principle of country leadership on development as reaffirmed in AAAA**, including further elaborations of policy toolkits most useful for different types of countries and sectors, and report on lessons learned from early efforts to develop such frameworks. We invite the international community and all relevant stakeholders to support these endeavors.
4.	We recognize the need for a coherent, holistic, inclusive, transparent and action-oriented approach, embracing all relevant processes and initiatives aimed at the achievement of the SDGs, which includes the active engagement of all the	This FfD process is not just a tool to implement the SDGs. While it will be a major contribution to the achievement of the SDGs, the FfD process is, and has always been, a process with its own objectives and purpose.	We recognize the need for a coherent, holistic, inclusive, transparent and action-oriented approach, embracing all relevant processes and initiatives aimed at the achievement of the SDGs **and the implementation of the AAAA**, which includes the active engagement of all the

	relevant actors of the civil society, academia and private sector.		relevant actors of the civil society, academia and private sector.
5.	We welcome the 2019 Financing for Sustainable Development Report of the Inter-agency Task Force on Financing for Development (IATF), which assesses progress and gaps and provides policy options across the seven action areas of Addis Agenda and the means of implementation of the 2030 Agenda.	While IATF report improves on the diagnosis of financing trends and gaps, interlinkages between different issues are missing to allow more coherence among future policies.	
	Cross-cutting issues		
6.	We encourage particular attention to the financing of and policies related to SDGs 4, 8, 10, 13,16 and 17, to be reviewed at the 2019 HLPF. We will strengthen global partnerships to support the 2030 Agenda for Sustainable Development.		
7.	We reaffirm the need to mainstream gender equality, the empowerment of all women and girls and the full realization of their human rights throughout policymaking, legal systems, budgeting and programming, including in fiscal policies, finance, development cooperation, labor market and other areas. Women's economic empowerment as well as enhancing equitable access to finance will positively impact economic performance on a global scale.		We reaffirm the need to mainstream gender equality, the empowerment of all women and girls and the full realization of their human rights throughout policymaking, legal systems, budgeting and programming, including in fiscal policies, finance, development cooperation, labor market and other areas **<u>with due recognition of unpaid domestic and care work where unequal gender roles continue to refrain the enjoyment of women and girls' human rights while</u>**

			<u>deepening structural gender inequalities</u>. Women's economic empowerment as well as enhancing equitable access to finance will positively impact economic performance on a global scale.
8.	We recognize the importance of addressing the diverse needs and challenges faced by countries in special situations, in particular African countries, least developed countries (LDCs), landlocked developing countries (LLDCs) and small island developing States (SIDS) and countries in conflict and post-conflict situations, as well as the specific challenges faced by middle-income countries.		
9.	We acknowledge the need for our actions to be underpinned by our strong commitment to end poverty and hunger, to achieve sustainable development in all its dimensions, and to protect and preserve our planet and natural resources, our biodiversity and our climate. We welcome the Paris Agreement, the Sendai Framework for Disaster Risk Reduction, the New Urban Agenda, and recall other relevant major United Nations conferences and summits in the economic, social and related fields.		
10.	We stress that investing in quality, accessible, affordable, reliable, sustainable and resilient infrastructure, that is gender-responsive, is vital for achieving many of the Sustainable Development Goals.	It's a well-known fact that public investment is a vital first step towards setting up the basic infrastructure in a country, and that this public investment is, in itself, a prerequisite for a country to be able to attract private investment.	We stress ~~that investing~~ **<u>public investment</u>** in quality, accessible, affordable, reliable, sustainable and resilient infrastructure, that is gender-responsive, is vital for achieving many of the Sustainable Development Goals.

	Domestic public resources		
11.	We acknowledge the upward trend in tax revenue in developed and middle-income countries. At the same time, we note the large gap between public resources and financing needs in many countries. We recognize the importance of fiscal systems in combatting inequality, and re-commit to enhancing revenue administration through modernized, progressive tax systems, in line with the Addis Agenda. We acknowledge the progress made on international tax cooperation, but note the continued challenges of base erosion and profit shifting, which are heightened by the digitalization of the economy. We recognize the challenges of combating illicit financial flows. We note the work of the United Nations System and others on estimating the volume of illicit financial flows, efforts on anti-money laundering and combating the financing of terrorism and the country and regional level work on asset recovery and return.	It is questionable whether international tax cooperation has only seen "progress" since AAAA. In particular, it is striking that the BEPS rules have been enforced on developing countries through blacklisting and threats of sanctions from the EU's side. In Addis Ababa, developed countries claimed that the international tax standards, which were being written behind closed doors by the OECD and G20, would be offered to developing countries as a tool they could use if they would like to. However, the reality has been quite different and we do not think it qualifies for what we would normally call "cooperation". It is important to ensure that IFFs includes corporate tax avoidance and not seen as separate issues, in line with the Mbeki High Level Panel's report.	We acknowledge the upward trend in tax revenue in developed and middle-income countries. At the same time, we note the large gap between public resources and financing needs in many countries. We recognize the importance of fiscal systems in combatting inequality, **including in supporting the extension of national social protection systems,** and re-commit to enhancing revenue administration through modernized, progressive tax systems, in line with the Addis Agenda. We ~~acknowledge the~~ **note** progress made on international tax cooperation, but **express our concern that there is still no single global, transparent, inclusive forum for international tax cooperation at the intergovernmental level. We also** note the continued challenges of base erosion and profit shifting, which are heightened by the digitalization of the economy. We recognize the ~~challenges of combating~~ **need for increased action to combat** illicit financial flows. We note the work of the United Nations System and others on estimating the volume of illicit financial flows, **including corporate tax avoidance and trade misinvoicing, as well as** efforts on anti-money laundering and combating the financing of terrorism and the country and regional level work on asset recovery and return. **We welcome**

			<u>the efforts to prepare [SDG 16.4] country pilots, including the proposed indicators of undeclared offshore assets and profit misalignment.</u>
12.	We will continue to explore medium-term revenue strategies as a tool to implement sustainable development across political cycles. We also encourage countries to share best practices and support capacity building initiatives aimed at better aligning public expenditures with national sustainable development strategies to stimulate inclusive growth, and promote a more equitable society. We reaffirm that efforts in international tax cooperation should be universal in approach and scope and fully take into account the needs and capacities of all countries, in particular least developed countries, landlocked developing countries, small island developing States and African countries. In this regard, we look forward to the recommendations of the United Nations Committee of Experts on International Cooperation in Tax Matters. We encourage donors to provide a larger share of official development assistance (ODA) for technical assistance and capacity building in revenue mobilization and in preventing and fighting illicit financial flows. We request the IATF to present data on international cooperation on asset return and to devote a specific section of its 2020 report to the use of technological advances in	We are concerned with the proliferation of tools being pushed at national and regional level. The Medium Term Revenue Strategies (MTRS) appears to have overlaps with the Integrated National Financing Frameworks. There is need for clarity and an overview on these tools collectively. In addition to recommitting to the text from AAAA on international tax cooperation, we need a description of how to move forward, especially since the objective of ensuring universality and inclusion of the interests of the poorest countries in international tax cooperation has not been achieved. We find it problematic that the text does not talk about donors providing additional ODA for DRM, but simply a larger share (meaning the ODA can be taken from other purposes to support DRM).	We will continue to explore medium-term revenue strategies as a tool to implement sustainable development across political cycles. We also encourage countries to share best practices and support capacity building initiatives aimed at better aligning public expenditures with national sustainable development strategies to stimulate inclusive growth, and promote a more equitable society. We reaffirm that efforts in international tax cooperation should be universal in approach and scope and fully take into account the needs and capacities of all countries, in particular least developed countries, landlocked developing countries, small island developing States and African countries. In this regard, we **<u>decide to address this issue at the upcoming High-Level Dialogue on Financing for Development in September 2019. We</u>** look forward to the recommendations of the United Nations Committee of Experts on International Cooperation in Tax Matters. We encourage donors to provide a ~~larger share~~ **<u>higher amount</u>** of official development assistance (ODA) for technical assistance and capacity

	strengthening tax administration, as well as to combat IFFs.		building in revenue mobilization and in preventing and fighting illicit financial flows. We request the IATF to present **an analysis of the degree to which current tax systems are in line with the commitment to enhance revenue administration through modernized, progressive tax systems. We also request the IATF to present** data on international cooperation on asset return and to devote a specific section of its 2020 report to the use of technological advances in strengthening tax administration, as well as to combat IFFs.
	Domestic and international private business and finance		
13.	We welcome the growing interest among investors in taking sustainability issues into account in their investment decisions, but acknowledge that further work is needed to measure its contribution to the SDGs and maximize its positive impact. We welcome that foreign direct investment flows to developing countries increased in 2018 and have remained resilient, though express our concern that African countries, least developed countries, landlocked developing countries and small island developing States received low levels of foreign direct investment. We further note that the global average cost of remittance transfer remained high at around 7 per cent in 2018.		We welcome the growing interest among investors in taking sustainability issues into account in their investment decisions, but acknowledge that further work is needed to measure its contribution to the SDGs and maximize its positive impact. We welcome that foreign direct investment flows to developing countries increased in 2018 and have remained resilient, though express our concern that African countries, least developed countries, landlocked developing countries and small island developing States received low levels of foreign direct investment. **We recognize that challenges persist to promote FDI towards different productive sectors**

			besides mainly extractive industries. We further note that the global average cost of remittance transfer remained high at around 7 per cent in 2018.
14.	We recognize that promotion of long-term SDG-oriented investments should go together with actions aimed at reducing risks and creating an enabling environment for business development. We will aim to create incentives for long-term sustainable investing, which could include requiring more meaningful disclosure on sustainability issues, clarifying fiduciary duties and asset owner preference, and pricing externalities. We call on the United Nations to support countries in their efforts to close the SDG investment gaps. We encourage the private sector to align foreign direct investment with national sustainable development strategies. We will strengthen our policy frameworks to incentivize finance for productive investment, and call on donors to support these efforts, particularly in least developed countries. We will endeavor to develop sustainable and inclusive financial sectors, with appropriate risk management and consumer protection. We will promote financial inclusion and fintech to lower the cost of remittances, complemented by international efforts.		We recognize that promotion of long-term SDG-oriented **private** investments should go together with actions aimed at **ensuring sufficient levels of public investments, strong corporate accountability frameworks,** reducing risks and creating an enabling environment for business development**, with special attention to SMEs**. We will aim to create incentives for long-term sustainable investing, ~~which could include~~ **including by** requiring more meaningful disclosure on sustainability, issues, clarifying fiduciary duties and asset owner preference, and pricing externalities. We call on the United Nations to support countries in their efforts to close the SDG investment gaps. We encourage the private sector to align foreign direct investment with national sustainable development strategies. We will strengthen our policy frameworks to incentivize finance for productive investment, and call on donors to support these efforts, particularly in least developed countries. We will endeavor to develop sustainable**, transparent, accountable** and inclusive financial sectors,

			with appropriate risk management and consumer protection. We will promote financial inclusion and fintech to lower the cost of remittances, complemented by international efforts.
	International development cooperation		
15.	We welcome the contribution of official development assistance to sustainable development. We are encouraged by countries that have met or surpassed their commitment to 0.7 per cent and 0.15 to 0.20 per cent targets of ODA/gross national income to least developed countries. We welcome the continued efforts of developing countries to enhance the impact and effectiveness of development cooperation, including by adopting national development cooperation policies. We note with concern the decline in the concessionality of bilateral ODA, the share of ODA for country programmable aid and budget support in recent years. We further note the shift in bilateral ODA towards humanitarian expenditure and in-donor refugee spending. We recognize the vital contribution of South-South cooperation in the implementation of the 2030 Agenda for Sustainable Development, as a complement to, not a substitute for North-South cooperation. In this regard, we note the outcome of the second United Nations High-level Conference on South-South cooperation.		We welcome the contribution of official development assistance to sustainable development. **As we** are encouraged by countries that have met or surpassed their commitment to 0.7 per cent and 0.15 to 0.20 per cent targets of ODA/gross national income to least developed countries, **we acknowledge that significant progress is still required to realise the internationally agreed targets.** We welcome the continued efforts of developing countries to enhance the impact and effectiveness of development cooperation, including by adopting national development cooperation policies. We note with concern the decline in the concessionality of bilateral ODA, the share of ODA for country programmable aid and budget support in recent years; **we commit to reversing such trend**s We further note the shift in bilateral ODA towards humanitarian expenditure and in-donor refugee spending. We recognize the vital contribution of South-South cooperation in

			the implementation of the 2030 Agenda for Sustainable Development, as a complement to, not a substitute for North-South cooperation. In this regard, we note the outcome of the second United Nations High-level Conference on South-South cooperation.
16.	We call on donors that have not done so to step up their efforts to fulfil their ODA commitments. We further encourage donors to align their support with country priorities identified in national sustainable development strategies. We encourage multilateral development banks to continue strengthening their cooperation, as well as efforts to mainstream SDG considerations in all operations. We call on providers of blended finance to engage with host countries at the strategic level, to ensure that priorities in their project portfolios align with national priorities. We invite the IATF, as part of the 2020 Financing for Sustainable Development Report, to assess how different innovative instruments for blended finance can be best tailored to the specific situations in developing countries, with special regard to African countries, least developed countries, landlocked developing countries, small island developing States, and countries in conflict and post-conflict situations, as well as middle-income countries. We call for climate finance providers to improve access for the poorest and most vulnerable countries and we encourage the allocation of more resources to ex-ante instruments for disaster risk reduction. We call for increased financial support and technical	The conclusions should better reflect the findings from the IATF report that clearly points to the fact that LDCs are only marginally benefitting from blending	We call on donors that have not done so to step up their efforts to fulfil their ODA commitments **<u>both quantity and quality</u>. <u>We urge all development actors to consistently implement the key effectiveness principles, namely ownership, transparency & mutual accountability, focus on result and inclusive partnerships</u>.** We further encourage donors to align their support with country priorities identified in national sustainable development strategies. We encourage multilateral development banks to continue strengthening their cooperation, as well as efforts to mainstream SDG considerations in all operations. We call on providers of blended finance to **<u>meet basic requirement such as the additionality of mobilised resources and their development impact. We expect providers of blended finance to</u>** engage with host countries at the strategic level, to ensure that priorities in their project portfolios align with national **<u>development</u>** priorities. We invite the IATF, as part of the 2020

	assistance by the international community, including multilateral financing institutions, to countries, especially the most vulnerable, in developing and financing disaster risk reduction initiatives and resilience.		Financing for Sustainable Development Report, to assess **risks, opportunities and best practice in relation to blended finance** ~~how different innovative instruments for blended finance can be best tailored to the specific situations in developing countries~~, with special regard to African countries, least developed countries, landlocked developing countries, small island developing States, and countries in conflict and post-conflict situations, as well as middle-income countries. We call for climate finance providers to improve access for the poorest and most vulnerable countries and we encourage the allocation of more resources to ex-ante instruments for disaster risk reduction. We call for increased financial support and technical assistance by the international community, including multilateral financing institutions, to countries, especially the most vulnerable, in developing and financing disaster risk reduction initiatives and resilience.
	International trade as an engine for development		
17.	We reaffirm that trade can contribute to sustainable development, inclusive economic growth and poverty eradication. We note that global trade growth is again moderating in 2018, after solid growth in 2017. Strengthening trade's	There must be recognition that the current trade rules and approach explicitly conflict with most of the trade related provisions of the 2030 Agenda, including special & differential treatment (10.a), conclusion of	**We recognise that after 4 years of the adoption of the 2030 Agenda and Addis Agendas, the current trade rules conflict with many of the SDG trade related targets and will also conflict with several**

	contribution as an engine for inclusive economic growth and poverty reduction is particularly important to least developed countries, which remain far below the target of doubling their share of global exports by 2020. We recognize that the multilateral trading system has made important contributions to growth and development. The system is facing serious challenges, but these present an opportunity to make the system work better. In this regard, we underscore the importance of open and inclusive processes. We note that the gap in trade finance has increased since the global financial crisis	Doha Development Round (17.10), and policy space and policy coherence (17.15 and 17.14). Further these directly challenge the attainment of several SDGs and the principles embodied within them. Both developing and least developed countries must continue to get preferential treatment, including special and differential treatment, in order to ensure benefits from trade policies. In addition, while we recognise the contributions of WTO to growth and development, the uneven distribution of such benefits across and within countries must be recognised in addition to the adverse impacts the WTO has created on poorer countries and for large constituencies such as farmers, workers, women, indigenous peoples, and so on. Further the system has significantly constrained the policy space of developing countries to enact policies for development, including for meeting the SDGs.	**Sustainable Development Goals and the objectives embodied within such goals including Goal 1, 2, 3, 4, 8, 9, 10, and 13.** We reaffirm that trade can contribute to sustainable development, inclusive economic growth and poverty eradication. We note that global trade growth is again moderating in 2018, after solid growth in 2017. Strengthening trade's contribution as an engine for inclusive economic growth and poverty reduction is particularly important to **both developing and** least developed countries, which remain far below the target**, especially for LDCs,** of doubling **the latter's** share of global exports by 2020. We recognize that the multilateral trading system has made important contributions to growth and development **though such gains have most often been unequally distributed with impacts on inequality both across and within countries. It has also presented major policy challenges and constraints for developing countries in ensuring benefits for their people at large, especially economically, socially marginalized constituencies.** The system is facing serious challenges, but these present an opportunity to make the system work better. **However any discussion on reforms must make sure developing and least developed countries are enabled and not further constrained from meeting**

			their development objectives. In this regard, we underscore the importance of open and inclusive processes. We note that the gap in trade finance has increased since the global financial crisis.
18.	We encourage further progress, including through Aid for Trade, in improving efficiency in customs revenue collection and sustainable and climate-resilient transport, as a powerful instrument in reducing trade cost and increasing public revenues. We also encourage capacity building initiatives and actions aimed at allowing micro, small and medium-sized enterprises (MSMEs) to better tap trade opportunities, including e-commerce, and at broadening the opportunities for women and youth entrepreneurs to access the international market. We encourage financial institutions to adopt trade finance techniques that are less document intensive to help strengthen trade financing for MSMEs. We encourage new and existing trade and investment agreements to address linkages between trade, investment and socio-economic and environmental policy. We welcome the increase in the share of least developed country exports admitted duty free and encourage further market access initiatives for the least developed countries.	There is no agreement on the development benefits of including current e-commerce proposals in trade agreements. Rather there are a lot of sensitivities in developing and least developed countries to the liberalization of ecommerce rules which challenges regulation of this sector. While MSMEs, women, and youth could be given special attention in trade policy, this approach must primarily focus on and distinguish between such constituencies in developing and least developed countries as opposed to those in advanced countries. There must also be adequate assessment of the global trade and investment rules in creating adverse impacts on these constituencies in multiple ways (such as on agriculture, access to medicines, key services, financial and natural resources).	We encourage further progress, including through Aid for Trade, in improving efficiency in customs revenue collection and sustainable and climate-resilient transport, as a powerful instrument in reducing trade cost and increasing public revenues. We also encourage capacity building initiatives and actions aimed at allowing micro, small and medium-sized enterprises (MSMEs**), especially in developing and least developed countries,** to better tap trade opportunities, and at broadening the opportunities for women and youth entrepreneurs**, again with special focus on those in developing and least developed countries,** to access the international market. **Alongside we must address the adverse impacts on trade policies on MSMEs and women & youth in these countries.** We encourage financial institutions to adopt trade finance techniques that are less document intensive to help strengthen trade financing for MSMEs. We encourage new and existing trade and investment agreements to address linkages between trade, investment and socio-economic and

			environmental policy. We welcome the increase in the share of least developed country exports admitted duty free and encourage further market access initiatives for the least developed countries
	Debt and debt sustainability		
19.	We note that debt levels have continued to rise and that some of the most pronounced increases in debt were experienced in middle-income countries. Strains are also evident in least developed countries and small island developing States, which remain vulnerable. In this context, risks of a potential renewed cycle of debt crises and economic disruption, pose severe challenge to the achievement of the Sustainable Development Goals. We further note the changes in the creditor landscape and cross-border financing modalities and the challenges posed for debt restructurings that are timely, orderly, effective, fair and negotiated in good faith.		
20.	We welcome measures to improve debt management and debt transparency, and related technical assistance and training provided by the international community, and also call on creditors to simplify the terms and conditions of lending and make them public, and easy to track. We invite further work by the IATF to explore the complementarities of existing guidelines for debtor and creditor responsibilities, with a view to support achievement of global consensus, in line with the mandate in the Addis Agenda. We will explore the	This paragraph addresses the most relevant topics, however in a too timid and non-committal manner, which only proposes moderate procedural steps instead of urgent action. Inviting further work by the IATF would probably lead to a few pages in next year's IATF report, not more.	We welcome measures to improve debt management and debt transparency, and related technical assistance and training provided by the international community, and also call on creditors to simplify the terms and conditions of lending and make them public, and easy to track. We ~~invite further work by the IATF to explore the complementarities of existing guidelines for debtor and creditor responsibilities, with a view to support achievement of~~

	means and instruments needed to achieve debt sustainability as well as the necessary measures to reduce the indebtedness of the developing countries. We encourage differentiating how debt financing is used, and prioritizing borrowing for productive investments that can create fiscal space. We encourage all official creditors to consider increasing the use of state-contingent instruments in their lending. We stress the need to improve the arrangements for debt restructuring and encourage exploring ways to strengthen creditor coordination and creditor and debtor dialogue.		~~global consensus, in line with the mandate in the Addis Agenda.~~ **commit to establishing an intergovernmental working group at UN level mandated to negotiate a consensus on debtor and creditor responsibilities and lay out ways to ensure implementation and compliance**. We will ~~explore the means and instruments needed to achieve debt sustainability as well as the necessary measures to reduce the indebtedness of the developing countries.~~ **set up a committee at UN level mandated to design an improved debt resolution framework that solves creditor coordination and other challenges related to debt crisis resolution**. **Delivering on our AAAA commitment to find an urgent solution for SIDS country debt problems, we commit to rapid debt relief for SIDS through a targeted debt relief initiative and welcome an immediate debt standstill in eligible countries until debt relief is agreed upon.** **Debt audits and human rights impact assessments are useful instruments to define the trigger of debt workouts and design debt restructurings.** We encourage differentiating how debt financing is used, and prioritizing borrowing for productive investments that can create fiscal space. We encourage all official creditors to consider increasing the

			use of state-contingent instruments in their lending. We stress the need to improve the arrangements for debt restructuring and encourage exploring ways to strengthen creditor coordination and creditor and debtor dialogue.
	Addressing systemic issues		
21.	We recognize the need for strengthened international coordination and policy coherence to enhance global financial and macroeconomic stability. We note that while implementation of financial sector reforms in the aftermath of the 2008 global financial and economic crisis has reduced risks in the regulated financial system, there are growing risks outside the regulatory framework, including through non-bank financial institutions and fintech. We express our concern at the continued decline in correspondent banking relationships, impacting the ability to send and receive international payments, with potential consequences on the cost of remittances, financial inclusion and international trade, among other areas, and thus on achievement of the Sustainable Development Goals.		We recognize the need for strengthened international coordination and policy coherence to enhance global financial and macroeconomic stability. We note that while implementation of financial sector reforms in the aftermath of the 2008 global financial and economic crisis has reduced risks in the regulated financial system, there are growing risks outside the regulatory framework, including through non-bank financial institutions and fintech. **We commit to undertake measures against new systemic threats and financial risks by strictly monitoring, regulating, supervising and limiting renewed expansion of securitization and derivatives trading, unregulated shadow banking, concentration of credit rating agencies and the rapid development of fintech.**
22.	We will work to ensure adequate resources and comprehensive coverage in the global financial safety net. We will be mindful of spillovers from domestic policy choices including on the volatility		We will work to ensure adequate resources and comprehensive coverage in the global financial safety net. We will be mindful of spillovers from domestic policy choices

	of capital flows. We encourage the international community to strengthen mechanisms to help address currency risk in developing countries, including through a greater use of currency risk diversification. We encourage the development of risk management practices and regulation for national development banks to be financially sustainable while fulfilling their developmental mandate. We call on financial regulators to increasingly shift to looking at underlying risks associated with financial activity rather than the type of financial institution. To help address the costs and risks of operating correspondent banking relationships, we will work to encourage financial institutions to make greater use of technology, know-your-customer utilities and the Legal Entity Identifier.		~~including on the volatility of capital flows~~ **and commit to address volatile financial outflows that negatively affect currencies of emerging and developing countries by promoting coordinated and effective capital flow management by central banks. We also commit to revise articles in trade and investment treaties that forbid the flexible management of capital flows.**
	Science, technology, innovation and capacity-building		
23.	Rapid changes in new and emerging technologies have great potential to support achievement of the SDGs and financial innovations have fostered financial inclusion. We note that automation, artificial intelligence and other emerging technologies may make the labour of millions in developed and developing countries redundant. We welcome fintech innovations that have fostered financial inclusion, but also note that they create new challenges. We remain committed to closing the digital divide in access and capacity within and between countries, including the gender gap.		Rapid changes in new and emerging technologies have ~~great~~ potential to support achievement of the SDGs **and could also potentially undermine them**. ~~and financial innovations have fostered financial inclusion.~~. **Recalling resolution 72/242 and 73/17 and noting the Secretary- General's strategy on new technologies, we recognize that the benefits of technologies are not equally shared and its impacts must be assessed through multi-stakeholder and anticipatory mechanisms to avoid exacerbating existing inequalities and**

			creating new ones. We ~~note~~ **are deeply concerned** that automation, artificial intelligence and other emerging technologies may make the labour of millions in developed and developing countries redundant. We ~~welcome~~ **acknowledge that** fintech innovations ~~that~~ have fostered financial inclusion **and also** ~~but also note that they~~ create new challenges. . **We recognize that digital technologies are disproportionately benefiting a few**, **and we** remain committed to closing the digital divide in access and capacity within and between countries, including the gender **and age** gap. **This includes engaging more women and girls in STI education and professional opportunities, addressing structural barriers, and removing bias and discriminatory design that perpetuate exclusion. We recognize the valuable and complementary contributions from diverse knowledge sources, including traditional and indigenous knowledge systems, in accelerating progress towards the 2030 Agenda.** **We acknowledge the need to evaluate the impacts of these technologies on the achievement of the SDGs to inform measures and policies at the national and global levels.**

24.	We will encourage innovation that creates new jobs; develop gender-sensitive policies; ensure social protection; and invest in people's capabilities. We underscore the need to address the risks from fintech without stifling financial innovation and will aim for improved dialogues between policymakers, regulators and new service providers to find the right balance, and stress the need for peer learning and exchange in this fast evolving space. We encourage international cooperation to support developing countries in addressing binding constraints in access to technology, including absorptive capacities and policy and legal frameworks. We look forward to the thematic chapter of the IATF's 2020 report on financing sustainable development in an era of disruptive technologies and rapid innovation.		We will encourage innovation that creates new jobs; develop gender**-responsive** ~~sensitive~~ policies; ensure social protection; and invest in people's capabilities **through lifelong learning opportunities**. We underscore the need to address the risks from fintech ~~without stifling financial innovation~~ and will aim for improved dialogues between policymakers, regulators and new service providers to **ensure that it serves society and promote the common good** ~~find the right balance~~, and stress the need for peer learning and exchange in this fast evolving space. We encourage international cooperation to support developing countries in addressing binding constraints in access to technology, including absorptive capacities and policy and legal frameworks, **including through science and technology roadmaps**. We look forward to the thematic chapter of the IATF's 2020 report on financing sustainable development in an era of disruptive technologies and rapid innovation. **with inputs from civil society. We note the contributions from the Technology Facilitation Mechanism, including the work of the various workstreams of the IATT, and urge more systematic and ambitious financing of its activities to accomplish its tasks.**
	Data, monitoring and follow-up		

25.	We note the multilateral initiatives launched in supporting countries in the use of big data for sustainable development. We will further strengthen traditional data sources, such as surveys and administrative records, while also embracing new sources, and continuing to strengthen gender data. We encourage increased ODA, capacity building and technical support to strengthen national statistical systems.		
26.	We look forward to the High-level Political Forum (HLPF) under the auspices of the ECOSOC and the General Assembly, the Climate Action Summit, the High-Level Meeting on Universal Health Coverage, the High-level Dialogue on Financing for Development and the High-Level Review of the SAMOA Pathway, and the Vienna Programmme of Action mid-term review. We decide that the intergovermentally agreed conclusions and recommendations of the fourth ECOSOC Forum on Financing for Development will be fed into the High-level Dialogue on Financing for Development of the General Assembly		
27.	We further decide that the 5th ECOSOC Forum on Financing for Development follow-up will start from 20 April 2020 and will include the special high-level meeting with the Bretton Woods institutions, the World Trade Organization and the UNCTAD. We also decide that the forum's modalities will be the modalities that applied to the 2019 Forum.		
28.	We request the IATF to issue an advance unedited version of its 2020 report, no later than the end of February 2020, to be updated with the latest data		

	upon its release, in order to facilitate the timely preparation of the draft conclusions and recommendations.		
29.	*[As decided in the intergovernmentally agreed conclusions and recommendations of the 2018 Financing for Development Forum, consideration will be given on the need to hold a follow-up Conference.]*		**We decide that a follow-up Conference on Financing for Development shall be held to mark the 20 year anniversary of the Monterrey Consensus, with the aim of reviewing implementation of all major outcomes of the Financing for Development process, and identifying any needs for further action. We further commit to structure the preparatory process in a manner that would allow adequate preparations for each action area, including advanced planning of key issues requiring attention at the upcoming sessions of the FfD Follow-up Forum and intersessional workstreams as deemed appropriate.**