

SUSTAINABLE DEVELOPMENT AND FINANCING FOR DEVELOPMENT

→ BACKGROUND

Building on last year's SDG Summit, the Summit of the Future must be an accelerator for the 2030 Agenda for Sustainable Development and its Sustainable Development Goals (SDGs) which remain the blueprint for securing the well-being and prosperity of everyone on a thriving planet. We know that achieving the SDGs will open new markets and create millions of new jobs. But the Goals are severely off-track. We need a step change in financial investments in developing countries. The Summit should ensure that the international financial architecture unlocks the volume of financing required to spur sustainable development in every country.

→ HIGHLIGHTS

THE SUSTAINABLE DEVELOPMENT GOALS, or SDGs, are the blueprint for securing the well-being and prosperity of everyone on a thriving planet. They

have been agreed by all 193 member countries of the United Nations in 2015. More than halfway to the deadline of the 2030 Agenda, the SDGs are severely off-track. Progress toward achieving the goals by the set date of 2030 have stalled. The Summit of the Future must be an accelerator for the achievement of the goals.

WE FACE A DEVELOPMENT EMERGENCY.

Decades of development progress is being reversed by economic shocks, climate change and conflict. The scale of financing available for development is insufficient. A radical global response is critical to secure a surge in financing for the SDGs.

THE WORLD'S POOREST COUNTRIES are bearing the brunt of our collective failure to invest in the SDGs. They will owe more in debt service this year than their public spending on health, education and infrastructure combined. Multilateral institutions, including the World Bank and IMF need a systemic reform of the global debt architecture to make debt

fairer, by reducing interest rates, freezing repayments in times of crisis, and extending lending terms.

RESCUING THE SDGS demands unlocking finance for developing countries, accelerating food, energy and digital transitions, and keeping people at the centre. The Summit of the Future must be an accelerator for the achievement of the 2030 Agenda in full and on time through urgent and scaled-up action, policies and investments, including through the SDG Stimulus endorsed by governments at the SDG Summit last year.

THE SECRETARY-GENERAL'S PROPOSAL for an SDG Stimulus is a comprehensive proposal to address this financing gap. It aims to provide at least \$500 billion US dollars annually in affordable long-term finance for developing countries. It calls for urgent action on debt, including breathing space for countries facing impossible repayment schedules. Its offset addresses the challenging market conditions faced by developing countries and accelerate progress towards the SDGs, including through investments in renewable energy, universal social protection, decent job creation and the digital transformation.

THE STIMULUS IS A CRITICAL STEP towards rescuing the SDGs, but deeper and longer-term

reforms are needed to ensure our outdated international financial architecture can, which has failed to provide affordable long-term finance to countries in need, can serve as a safety net for all countries.

TO RECRAFT THE INTERNATIONAL FINANCIAL ARCHITECTURE to support the implementation of the SDGs and address the climate crisis, we need ambitious reform, starting with more inclusive, representative and more effective global economic governance, and including debt relief mechanisms and international tax cooperation that benefits all countries.

CLIMATE FINANCE IS CRITICAL because of the large-scale investments that are needed for the transition to net-zero emissions and to help societies build resilience, adapt to the impacts of climate change, and pay for losses and damages caused by climate impacts. There has been some progress but we urgently need to scale up investment to mobilize trillions of dollars to tackle this crisis.

THE SUMMIT OF THE FUTURE WILL PAVE THE WAY for a step-change in financing for the SDGs and for addressing climate change, leading to more concrete decisions at the 2025 Financing for Development Conference.