THE PRESIDENT
OF THE
GENERAL ASSEMBLY

16 March 2015

Excellency,

I have the honour to transmit herewith a letter from the Co- Facilitators for the preparatory process of the Third International Conference on Financing for Development, H.E. George Wilfred Talbot, Permanent Representative of Guyana, and H.E. Geir O. Pederson, Permanent Representative of Norway, circulating the Zero Draft of the Outcome Document.

The Co-facilitators prepared the Zero Draft building on the work of the preparatory process and inputs submitted by Member States and other stakeholders. It takes into account the Report of the Open Working Group on Sustainable Development Goals, the Report of the Intergovernmental Committee of Experts on Sustainable Development Financing and the Synthesis Report of the Secretary-General.

The Zero draft will be considered in the next drafting Session, scheduled for 13-17 April 2015. I encourage you to participate actively in the upcoming negotiations.

Please accept, Excellency, the assurances of my highest consideration.

Sam K. Kutesa

To All Permanent Representatives and
Permanent Observers to the United Nations
New York

PERMANENT MISSION OF NORWAY
TO THE UNITED NATIONS

PERMANENT MISSION OF THE
REPUBLIC OF GUYANA TO THE
UNITED NATIONS

March 16, 2015

Excellency,

We circulate herewith, for your consideration, the Zero Draft of the Outcome Document of the Third Financing for Development Conference to be held in Addis Ababa in July of this year. The draft outcome document is intended to provide a holistic and forward-looking framework and concrete actions for the financing of sustainable development in order to deliver the means of implementation for the ambitious and transformative development agenda.

The draft aims to be comprehensive and balanced, building on the work of the preparatory process to date, including the substantive informal sessions in November and December; the elements considered at the First Drafting Session in January and the wide range of inputs submitted by Member States and other stakeholders. It also takes into full account the Report of the Open Working Group on Sustainable Development Goals; Report of the Intergovernmental Committee of Experts on Sustainable Development Financing (ICESDF), and the Synthesis Report of the Secretary General.

As outlined in the Roadmap, the upcoming Drafting Session from 13-17 April will mark the intensification of negotiations and provide the opportunity to hear concrete reactions to the draft text.

In commending the document to you, Excellency, we assure you of our highest consideration.

Geir O. Pedersen
Permanent Representative of
Norway to the United Nation

George Talbot
Permanent Representative of the Republic of
Guyana to the United Nations

Addis Ababa Accord

I. A global framework for financing sustainable development

1. We, the Heads of State and Government and High Representatives, gathered in Addis Ababa, Ethiopia, from 13 to 16 July 2015, have resolved to address the challenges of financing for sustainable development in the spirit of global partnership and solidarity. Our ambition is to eradicate poverty and hunger, to achieve equitable and sustained economic growth and sustainable development, to protect the environment, and to promote peaceful and inclusive societies where no one is left behind. We commit to ensure gender equality and promote and protect all human rights, including the right to development, in a world where all people are able to raise their standards of living through decent work and productive livelihoods, while preserving the planet for our children and future generations.

2. In September of this year, the United Nations will host a Summit to adopt an ambitious and transformative post-2015 development agenda, including Sustainable Development Goals (SDGs). We have come together in Addis Ababa to establish a holistic and forward-looking framework and to agree on concrete actions to deliver on the promise of that agenda and to achieve sustainable development. We reaffirm and build on the 2002 Monterrey Consensus and the 2008 Doha Declaration. Our task is threefold: to follow-up on commitments made in Monterrey and Doha; to further strengthen the framework to finance sustainable development and the means of implementation for the universal post-2015 development agenda; and to ensure that the actions we agree to are implemented and reviewed in an appropriate, timely and transparent manner.

3. We recognize that the world has changed significantly since the adoption of the Monterrey Consensus. Economic activity and financing flows have increased substantially. We have made great strides in mobilizing financial and technical resources for development and advances in technology and innovation provide us with ever more tools. Many countries have achieved important economic and social progress. We have strengthened our policy and regulatory frameworks. The developing countries share in world trade has increased, and the debt burden in many heavily indebted poor countries has been reduced.

4. Current policy, financing and investment patterns are not delivering the future we want. There are enormous unmet financing needs for sustainable development. Estimates vary due to the complexities of quantifying needs, but consistently point to a significant financing shortfall. The 2008 financial crisis exposed risks and vulnerabilities in the international financial system. Some countries have fallen further behind, and inequalities have increased. Global growth has moderated and is projected to remain below pre-crisis levels. Shocks from economic crises, conflict, natural disasters, and disease outbreaks spread rapidly in our highly interconnected world. Environmental concerns, climate change and other global risks threaten to undermine past successes and future prospects.

5. Yet, solutions can be found through strengthening official finance, unlocking the transformative potential of people and the private sector while ensuring that investment patterns support sustainable development, and by strengthening national and international policy environments. We recognize that effective policies, regulatory frameworks and appropriate incentives at all levels are essential for the shift towards sustainable development. We reaffirm the importance of freedom, peace and security, good governance, rule of law, sound economic policies and solid democratic institutions at the national and international levels. These are central to enable the effective, efficient and transparent mobilization and use of resources. We commit to pursue policy coherence for sustainable development at all levels and by all actors.

6. We reaffirm that gender equality and women's empowerment are essential to achieve equitable and effective sustainable growth and development. We reiterate the need for gender mainstreaming in the formulation and implementation of financial and economic policies and agree to implement transformative actions to ensure women's equal rights, access and opportunities for participation and leadership in the economy.

7. Cohesive, national sustainable development strategies to facilitate sustainable and stable growth, structural transformation, social inclusion and environmental sustainability, supported by integrated national financing frameworks, will be at the heart of our efforts to implement the post-2015 development agenda. We reiterate that each country has primary responsibility for its own economic and social development and that the role of national policies, domestic resources and development strategies cannot be overemphasized.

8. At the same time, we recognize that our countries' sustainable development prospects will depend on our joint efforts to address global challenges. National development efforts need to be buttressed by an enabling international economic environment. Our national strategies must be supported by a new global partnership for sustainable development, based on efforts and responsibilities shared by all, taking into account different national realities and needs and the differentiated impacts of national policies on global sustainable development prospects. We acknowledge the needs of countries in special situations, including least developed countries (LDCs), landlocked developing countries (LLDCs) and small-island developing States (SIDS), countries in conflict and post-conflict situations, sub-Saharan Africa as well as the specific challenges facing the middle-income countries. In this regards, we agree to strengthen support for the implementation of relevant strategies and programmes of action, including the Istanbul Declaration and Programme of Action, the Samoa Pathway, the Vienna Programme of Action for Landlocked Developing Countries, and the New Partnership for Africa's Development.

9. The fundamental responsibility for organizing this global partnership lies with governments. We will be held accountable by future generations for the success of commitments we make today. Our success will also depend on the resources, knowledge and ingenuity of business, civil society, the scientific community, philanthropists and foundations, and other stakeholders. We urge business to embrace our commitment to sustainable development, including by directing private sector assets, technologies and capital towards sustainable investments with a long term perspective, and away from harmful, unsustainable ones. We count on civil society around the world to mobilize public support and awareness, and for academia and other experts to bring their scientific, economic, and financial expertise to our pursuit of sustainable development. We will work with all partners to ensure a sustainable, equitable and prosperous future for all.

Mobilizing the means to implement the post-2015 development agenda

10. The post-2015 agenda is ambitious and demands an ambitious response. Achieving the SDGs will require a comprehensive and holistic approach, integrating the economic, social and environmental dimensions of sustainable development, and combining different modalities and instruments, as detailed in the subsequent chapters of this Accord. Our approach entails harnessing the considerable synergies across the goals, and identifying and addressing critical gaps, so that implementation of one will contribute to the progress of others. We have identified a range of areas that build on these synergies, such as essential social services, infrastructure, agriculture, small and medium sized enterprises (SMEs), and investing in our ecosystems. Public, private, domestic and international investments in these cross-

cutting areas are needed to unlock the potential of our people, our economies and to protect our ecosystems – in short, to achieve the SDGs.

11. Ensuring productive and healthy lives, delivering equitable education, reducing inequality, ensuring access to water, sanitation and sustainable energy, and finishing the unfinished business of the Millennium Development Goals (MDGs) – will rely primarily on domestic public resources, supported by international cooperation and partnerships. We commit to a new basic social compact to guarantee nationally appropriate minimum levels of social protection and essential public services for all. We recognize that this entails significant additional investments, such as for strengthening country health and social protection systems and delivering education to all our children, including those in fragile and conflict affected states. We agree to explore the most effective, efficient and coherent funding modalities to do this, including the possibility of global funds, building on the experiences of existing mechanisms and based on country-led experiences. We commit to significant international support for this initiative and we call for philanthropists, foundations and the business sector to join us in these efforts.

12. Investments in rural development and sustainable agriculture are essential for eliminating hunger, achieving food security and nutrition, creating decent job opportunities, in particular for rural youth and women, and will lead to rich payoffs across the SDGs. Agriculture is primarily financed through private sources, and we encourage increased private investments in accordance with the Committee on World Food Security's (CFS) Principles for Responsible Investment in Agriculture and Food Systems. At the same time we commit to put in place policies to ensure the sustainability and growth of agriculture. We agree to substantially increase public investment in areas such as rural infrastructure, agricultural research, including tropical agriculture, sustainable food production and food systems, with a particular focus on small scale food producers and on promoting gender equality to attain food security and nutrition for the poorest and most vulnerable. We will further catalyse progress through strengthened policy frameworks to encourage access to markets for farmers, with a particular attention to smallholder and women farmers and a fair multilateral trading system.

13. We underscore that investing in sustainable infrastructure, inclusive and sustainable industrialization and innovation is a pre-requisite for achieving many of our goals, including our compact for investing in people as well as for sustainable cities. We call for a new initiative to ensure sufficient investment in sustainable and resilient infrastructure, including transport, communication, water and sanitation and energy, in all countries. Working with on-going initiatives, we will identify gaps and constraints, help ensure that projects are environmentally, socially and economically sustainable, share knowledge and experiences, bring together different stakeholders and help mobilize financing from all sources. Infrastructure investment generally entails both public and private investment and sound policy frameworks. National and multilateral development banks (MDBs) play a critical role. We invite all to join us in our endeavour. We agree to ensure domestic and international enabling environments necessary for infrastructure investment.

14. The business sector will be a critical driver in achieving sustainable development, creating the vast majority of jobs. Public policies must provide the enabling environment, as well as the policy framework and incentives to ensure that private investment is aligned with sustainable development, norms and standards. To realize full and productive employment and decent work for all, including for women and young people, and working with development banks and private actors, we commit to ensuring appropriate and stable access to credit for micro, small, and medium sized enterprises (MSMEs).

15. In all of our actions we need to be mindful of the impact on our planet. We will implement environmental, social and governance (ESG) reporting frameworks for the private sector to contribute to transparency and accountability. We commit to coherent policy, financing, trade and technology frameworks for protecting our ocean and terrestrial ecosystems, preserving biodiversity and fighting climate change. Governments, businesses and households will all need to change behaviours to create sustainable consumption and production patterns. We commit to regulate harmful activities and incentivise behavioural changes. Public and private investments on scale in infrastructure, innovations and clean technologies will be needed. At the same time, new technologies will not substitute for efforts to reduce waste or efficiently use natural resources.

16. All of these areas will require different combinations of public and private financing, trade, technology, innovation, and capacity building, underpinned by effective institutions, sound policies and good governance at all levels, and a strong commitment to address key systemic challenges and constraints – as delineated in the chapters that follow in section II.

II. Addis Ababa Action Agenda

A. Domestic public finance

17. Domestic resource mobilization and effective use is the crux of our common pursuit of sustainable development. We remain committed to strengthen the mobilization and effective use of domestic resources in support of national sustainable development strategies. Domestic public finance is necessary to provide public goods and promote equity. Sound economic policies, including counter-cyclical fiscal policies, democratic institutions responsive to the needs of the people, and sustainable infrastructure are the basis of equitable growth, poverty eradication and employment creation.

18. We recognize that domestic resources are first and foremost generated by sustained economic growth. Effective fiscal policy depends on good governance at all levels and an enabling domestic environment. In this regard, we agree to strengthen our domestic governance and institutions, and to further combat corruption at all levels. We also agree to incorporate sustainable development, and promote equity, including gender equality, as an objective in all tax and revenue policies, including incentives we give to domestic and foreign investors, and tax treaties and agreements.

19. While many countries have made considerable progress in strengthening fiscal management since the Monterrey Consensus, we recognize that significant additional public resources will be necessary to realize sustainable development and achieve the SDGs. Towards that end we are committed to bolstering government revenues as needed while improving the efficiency of our expenditures. Countries with government revenue below 20 per cent of GDP agree to progressively increase tax revenues, with the aim of halving the gap towards 20 per cent by 2025, and countries with government revenue above 20 per cent of GDP agree to raise tax revenues as appropriate. Globally, we commit to support countries that need assistance, including through substantially increasing ODA and technical assistance for tax and fiscal management capacity, particularly to LDCs.

20. To this end, and while recognizing that optimal tax policy is necessarily reflective of a country's economic and social situation, we will work to improve the fairness and effectiveness of our tax systems. Our efforts will include broadening the tax base and continuing efforts to integrate the informal sector into the formal economy as appropriate and in line with country circumstances, while ensuring progressive tax systems. We further agree to strengthen our tax administrations, including through training, digitalization and increasing efficiencies.

21. We agree to strengthen national regulation and international cooperation to combat illicit financial flows (IFF), tax evasion and corruption, with the aim to substantially reduce such flows over the next 15 years, and agree to work to progressively reduce opportunities for tax evasion, as well as tax avoidance. We will increase transparency, including by ensuring that all payments to governments from large companies are fully transparent.

22. The full and equal participation of women in the formal labour market would significantly increase not just opportunities for women, but their contributions to domestic revenue and economic growth. Countries should promote social infrastructure and policies that enable women's full participation in the economy and in the labour force.

23. Countries relying significantly on natural resource exports face particular challenges in optimizing national benefits from resource extraction. Countries without stabilization funds or other policies to stabilize the flow of government revenues through price cycles are encouraged to consider how they might make use of such options. We agree to implement the Extractive Industries Transparency Initiative (EITI). We will promote peer learning for forging successful state relationships with the extractive sector, including as it pertains to fair concession and royalty agreements.

24. We also recognize that environmental crimes, especially illegal logging and illegal fishing, are a challenge for many countries and create substantial damage, including lost revenue. Developed countries commit to provide increased financial resources and technical assistance to support the efforts of developing countries, including addressing poaching and illegal trade in wildlife, and supporting the development of sustainable, alternative livelihoods for affected communities.

25. We recognize that there are limits to how much governments can individually increase revenues in our interconnected world. We thus commit to a global campaign to substantially reduce international tax evasion through more concerted international cooperation. We agree to work together to strengthen transparency and adopt pending policy innovations, including: public country-by-country reporting by multinational enterprises; public beneficial ownership registries; and multilateral, automatic exchange of tax information, with assistance to developing countries, especially the poorest, as needed to upgrade their capacity to participate. We agree to work through relevant fora to end harmful tax competition. We call on competing countries to engage in voluntary discussions on tax incentives in regional and international fora, which can also stimulate cooperation to stem illicit financial flows.

26. In this context, while we welcome ongoing efforts, including the work of the Global Forum on Transparency and Exchange of Information for Tax Purposes, we stress that efforts in international tax cooperation should be universal in approach and scope and should fully take into account the differentiated needs and capacities of all countries, including LDCs and SIDS. We commit to strengthen efforts to develop global norms on taxation, taking into account the work of the Organisation of Economic Cooperation and Development (OECD) for the Group of 20 on Base Erosion and Profit Shifting, and we call for more inclusive deliberations to ensure that these efforts benefit all countries, including LDCs and SIDS, as well as a more inclusive governance structure to reflect its global impact. We welcome the efforts of the International Monetary Fund (IMF), including on tax spill-overs and capacity building.

27. We welcome the Report of the High Level Panel on Illicit Financial Flows (IFFs) from Africa. We urge governments to take into consideration the recommendations of the report and invite other regions to carry out similar exercises building on this initiative. To help track illicit flows, we invite the United Nations, the IMF, the World Bank and other relevant stakeholders, to develop a proposal for an official definition of IFFs, and to publish official estimates of their volume and breakdown. We commit to developing the capacity to track 'to whom, from whom' information on cross-border transactions,

bearing in mind that the poorest and most vulnerable countries will need assistance. We ask the Financial Stability Board to work expeditiously with relevant institutions to implement the proposed global Legal Entity Identifier system, with appropriate standards to incentivize countries to mandate use of the system. We will support the strengthening of efforts to effectively combat money laundering and the financing of terrorism.

28. We welcome the work of the United Nations Committee of Experts on International Cooperation in Tax Matters, including on double taxation treaties, transfer pricing, exchange of information, the taxation of extractive industries and capacity building. We decide to upgrade the Committee to an intergovernmental committee, to complement the work of other ongoing initiatives and further enhance the voice and participation of developing countries in norm setting for international tax cooperation.

29. We urge all States that have not yet done so to ratify or accede to the UN Convention against Corruption and commit to making it an effective instrument to both deter corruption, prosecute corrupt officials and regain the assets they have stolen. We support the joint Stolen Asset Recovery Initiative of the United Nations and the World Bank, and will fully utilize the peer review process under the UN Convention to accelerate the unconditional return of stolen assets to their countries of origin.

30. Our financing policies, both domestic and international, will be guided by the need to achieve sustainable development, as an integral part of our national sustainable development strategies. We will spend our resources efficiently and effectively, and ensure that our national policies are in line with good governance, accountability and gender-sensitive public financial management, and promote equity. We will increase transparency and participation in all aspects of the budgeting process, and encourage those who have not yet done so to join the Open Government Partnership. We further agree on the need for transparent public procurement that reinforces sustainable development.

31. As the basis of a new basic social compact to invest in people, we will guarantee access to essential health care and education for all persons, and support implementation of nationally appropriate social protection systems and measures for all, including floors, with a special focus on those furthest below the poverty line, including children, persons with disabilities, youth and older persons, as provided for in the International Labour Organization's (ILO) Recommendation 202. In addition, we underscore that human development remains a key priority. The realization of full and productive employment and decent work for all is essential. We will continue to invest in human capital, including in the untapped potential of women's human capital through inclusive social policies, including on health and education, in accordance with national strategies.

32. In this regard, we agree to increase public spending to secure adequate investments to ensure universal access to basic social infrastructure and inclusive social services, such as health and education. Available data indicates that in general, countries need to spend a minimum of $[300] per person in purchasing power parity terms or 10 per cent of GDP, whichever is higher, to provide essential public services. We agree to make every effort to meet this minimum benchmark for all communities by no later than 2025. We agree to complement national efforts with international support, particularly to LDCs and other vulnerable countries, to ensure that by 2030, every woman, every child and every family has access to a minimum package of essential services.

33. We will work to gradually eliminate harmful subsidies, where they exist, including fossil fuel subsidies for production and consumption, minimizing possible adverse impacts in a manner that protects poor and disadvantaged communities.

34. We agree to work towards putting a price on carbon, and to consider taxes that put a floor on fossil fuel prices for consumers. We will also consider the use of natural capital accounting to make more transparent the environmental externalities of our policy decisions.

35. We note with concern the large financing gaps in areas crucial for sustainable development, including infrastructure, agriculture, and innovation, as well as financial inclusion. We acknowledge the important role that national development banks (NDBs) can play in filling these gaps, particularly in credit market segments in which commercial banks do not act, or do so only partially, such as to MSMEs. We acknowledge that NDBs also play a valuable countercyclical role, especially in cases of crisis when private sector entities become highly risk-averse. Development banks can play a critical role in alleviating constraints on investment in infrastructure and we call on them to expand their contributions in this area.

36. We further acknowledge that in more and more countries, responsibilities for revenues, expenditures and investments in sustainable development are being devolved to the sub-national level and municipalities, which often lack adequate technical capacity, financing and support. We therefore commit to develop mechanisms to assist them, including to strengthen capacity, particularly in areas of infrastructure project development, local taxation, sectorial finance and debt issuance and management, including access to domestic bond markets. We will support our cities and local authorities in implementing resilient infrastructure and climate-friendly policies and investments. Reliable support for national and local capacity for prevention and mitigation of external shocks and risk management is needed. We must also ensure appropriate local community participation in decisions affecting their communities, based on country circumstances.

B. Domestic and international private business and finance

37. We acknowledge the role of private business activity, investment and innovation as major drivers of increased productivity, job creation, and economic growth, which provide people with the opportunity to overcome poverty and inequality. We welcome the significant growth in private activity – domestic private savings and investment, foreign direct investment (FDI), remittances from overseas workers and philanthropy – since Monterrey. Monterrey tasked us to continue our efforts to achieve a transparent, stable and predictable investment climate, with proper contract enforcement and respect for property rights, and many countries have made great strides in this area. We commit to continue to promote and create the right enabling conditions for inclusive and sustainable private sector investment. Businesses will play a critical role in our new agenda, and we call on them to engage as partners in the development process. We welcome the growing number of businesses that embrace corporate responsibility and take full account of environmental and social impacts in all their activities, and urge all others to do so. We are encouraged by the growth of impact investing, which combines a return on investment with social and environmental impacts.

38. Nonetheless, we recognize that business practices need to be more in line with sustainable development objectives. Many people still lack access to financial services, and FDI largely bypasses countries most in need. We acknowledge risks associated with excessive leverage, the short-term nature of many investments, and the importance of the quality of investment. We call on private actors to invest with the long-term horizons necessary for sustainable development, and to apply their creativity and innovation toward solving sustainable development challenges. At the same time, we acknowledge the responsibility of governments to develop regulatory systems to align business incentives with sustainable development.

39. We support the many initiatives to formulate and adopt principles for socially and environmentally responsible investment and business activities and invite businesses to sign on to and apply these principles. Such principles should also address business' role in preventing and fighting corruption. We welcome the work by the United Nations Conference on Trade and Development (UNCTAD), the United Nations Environment Programme (UNEP), CFS, the Global Compact, amongst others in this regard. We also recognize that each industry faces its own opportunities and challenges in contributing most constructively to sustainable development. We therefore undertake to work with industry groups, national regulators and international accounting standard-setting bodies to identify industry-level metrics that could frame generally accepted sustainable development accounting principles, consistent with international goals and targets for sustainable development. We will work towards unifying and strengthening the various initiatives on responsible financing, identifying gaps, and strengthening the mechanisms and incentives for compliance.

40. These initiatives should be complemented by appropriate national regulations, in line with national strategies. We agree to create strong regulatory frameworks on ESG practices, including mandatory integrated reporting for large companies to be adopted by 20xx. To better align business practices with sustainable development, we will adopt regulatory frameworks that foster a dynamic and well-functioning business sector, while protecting labour rights and environmental and health standards in accordance with internationally agreed norms, including the labour standards of the International Labour Organization and key Multilateral Environmental Agreements. We will adopt policies to internalize externalities, such as the "polluter pays principle", through a combination of taxation, regulation and other measures, in line with national strategies.

41. We acknowledge the importance of robust regulatory frameworks that encompass all financial intermediation, from microfinance to international banking. We will work to ensure that our policy and regulatory environment supports financial market stability, while promoting access to finance, in a balanced manner. We will also work to design capital markets regulation that promotes incentives along the investment chain that are fully aligned with long-term performance and sustainability indicators.

42. Evidence shows that gender equality and women's full participation as economic agents improves the profitability and competitiveness of business and is vital to achieve sustainable development and a vibrant economy. To this end, we reaffirm our commitment to eliminate gender-based discrimination in all its forms. We commit to ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance. We further encourage the private sector to contribute to advancing gender equality through ensuring women's full and decent employment, equal pay and equal opportunities.

43. We commit to ensuring access to formal financial services for all, including the poor, women, rural communities, marginalized communities and persons with disabilities. Acknowledging that the best way to implement financial inclusion varies by country, we will adopt or review our national financial inclusion strategies in consultation with the relevant national stakeholders, and include financial inclusion as a policy target in financial regulation. We will encourage our commercial banking systems to serve all populations. We will support other institutions and channels that offer affordable financial services for all, including microfinance institutions, development banks, mobile network operators, payment platforms, agent networks, cooperatives, postal banks and savings banks. We encourage the use of innovative tools, including mobile banking and digitalized payments to promote inclusion, while ensuring consumer protection and promoting financial literacy. We commit to increase resources for

capacity development and expanding peer learning and experience sharing, including through the Alliance for Financial Inclusion and regional organizations, which should work in close cooperation with initiatives by the World Bank, IMF, the United Nations and academia.

44. Remittances from overseas workers are a significant financial resource for households in many countries. To enhance their impact on development, countries should integrate remittances into their national financial inclusion strategies. No remittance corridors should require charges higher than 5 per cent by 2030. In this regard, we welcome the G20 initiative to lower the cost of remittances, as well as efforts by the World Bank in measuring remittances and advising on efforts to reduce remittance transfer costs. We commit to work with relevant partners to lower the cost of remittances, including through ensuring competitive and transparent market conditions, exploiting new technologies and improving data collection, with a view to reducing the charge for a remittance transfer to less than 3 per cent of the amount transferred.

45. We welcome the rapid growth of philanthropic giving and the significant contribution individuals have made toward achieving our common goals. We encourage others to join those who already contribute, and call on all philanthropic providers to partner with us in our pursuit of sustainable development. We also call for increased transparency in philanthropy.

46. We recognize that SMEs often have difficulty in obtaining financing. NDBs, credit unions, and other financial institutions can play a vital role providing access to credit, including to SMEs. One of the biggest impediments to lending to SMEs is the lack of credit information and analysis. We will work to strengthen the capacity of financial institutions to undertake cost-effective credit evaluation, as through public training programmes, including establishing national credit bureaus where they do not already operate. We recognize the potential of new investment vehicles, including development-oriented venture capital funds, potentially with public partners, as well as innovative debt funding structures and securitization, with appropriate risk management. On an international level, we encourage IFIs and development banks to promote SME finance through investments and technical assistance. We welcome the work of the International Finance Corporation (IFC) and of regional initiatives in this area, and encourage increased knowledge sharing and capacity building at the regional and global levels as a priority area.

47. To meet longer-term financing needs, we will work towards establishing long-term bond and insurance markets, where appropriate, while strengthening supervision, clearing and settlement in existing markets. Regional markets might be an effective way to achieve scale and depth not attainable when individual markets are small. We recognize that the nature of international portfolio investment has evolved over the past 15 years, and that foreign investors now play a significant role in some developing markets. We are concerned that short-term cross-border capital flows can create excessive volatility, which should be contained through appropriate regulations, in conjunction with capital account management tools, when appropriate. At the international level, we agree to strengthen regional, inter-regional and global fora for knowledge sharing, technical assistance and data collection.

48. We recognize the important contribution that direct investment, including FDI, can make to sustainable development when investors follow social and environmental standards of good corporate behaviour. We will thus direct our investment promotion and other relevant agencies to focus on project preparation, prioritizing projects aligned with sustainable development, including those with the greatest potential for sustainable industrialization and decent jobs. Internationally, we will support these efforts through financial and technical support, and encourage closer collaboration between home and host country agencies where international flows of investment are involved.

49. Despite significant improvement in their investment climates, we note with concern that LDCs continue to be largely sidelined by foreign direct investment flows. In this regard, we agree to support LDCs through providing financial and technical support for project development and contract negotiation and to provide advisory support in investment related dispute resolution and other functions as requested by the LDCs.

50. We note with concern the large gap in financing for resilient infrastructure and energy necessary for sustainable development. We acknowledge that impediments to investment in resilient infrastructure and energy systems exist on both the supply and demand side. On the project side insufficient investment is often partly due to an insufficient enabling environment and an inadequate pipeline of well-prepared investable projects, but also due to affordability constraints. To address this, we agree to imbed resilient infrastructure and energy investment plans in our national sustainable development strategies. We commit to ensuring the technical support for countries to translate these plans into concrete project pipelines.

51. On the finance side, private sector incentive structures and new regulations designed to reduce risk-taking by banks tend to encourage short-term investment behaviours, which are inappropriate for many long-term projects, as in the area of infrastructure. We recognize that long-term institutional investors manage large pools of capital, but are currently only investing less than 3 per cent of assets in infrastructure in both developed and developing countries. Nonetheless, we are encouraged by recent efforts by some investors to develop new infrastructure platforms and call on investors to continue to build capacity and appropriate platforms for such investment, as well as reviews of compensation structures and performance criteria to incentivize greater long-term investment.

52. We recognize that blended finance (combining concessional and non-concessional international public finance), pooled financing platforms and public-private partnerships (PPPs) have significant potential to contribute in this area. In particular national and multilateral development banks can be constructive partners, both in terms of financing and skill building. It is also important that careful consideration be given to the appropriate use and structure of pooled financing instruments, including of PPPs. Projects should be transparent, share risks and rewards fairly, and be implemented following feasibility studies that demonstrate, inter alia, that they are the most effective way to structure the investment. PPPs should not replace or compromise state responsibilities, nor should they impose unsustainable debt burdens or contingent liabilities on governments.

53. We welcome the G20's emphasis on infrastructure as a critical component of growth strategies and on strengthening cooperation to address deficiencies in the development, implementation and financing of infrastructure. Given the importance of this challenge for all countries, we call for a global initiative to help scale up investments in sustainable and resilient infrastructure as a key pillar to meet the SDGs, building on existing initiatives and involving all stakeholders. A main goal of this initiative will be to identify gaps and constraints, particularly for countries and sectors that are often overlooked, and enhance mutual learning in the effective delivery of projects and programmes on sustainable infrastructure. It will ensure that projects are environmentally, socially and economically sustainable and help mobilizing financing from all sources. We commit to concerted and coordinated steps to strengthen capacity building as part of our overall effort to increase infrastructure investment, including for investment planning, project preparation and prioritization, and contract negotiation and management. We agree to develop and adopt principles, guidelines and standardized documentation for the use of PPPs, to build a knowledge base and share lessons learned through regional and global fora.

54. We welcome and call for action on the recommendations put forward under the Sustainable Energy for All initiative, with a combined potential to raise over $100 billion in incremental annual investments by

2020, through market based initiatives, partnerships and leveraging development banks. We recognize the need for complementary efforts to further strengthen public and corporate governance of the energy sector to increase its operational and financial efficiency, improve financial viability and creditworthiness, and provide appropriate frameworks for scaling up investments in sustainable energy.

C. International public finance

55. International public finance plays an important role in complementing the efforts of countries to raise public resources domestically. Our ambitious agenda puts significant demands on public budgets and capacities, which many developing countries will only meet with scaled up and more effective international support, including both concessional and non-concessional financing. ODA, South-South cooperation and other international public flows, including from MDBs, will be critical. International public finance also plays a catalytic role in mobilizing additional resources, including in middle income countries, and is increasingly being used to address other international challenges, such as climate change.

56. We welcome the significant increase in the volume of ODA since the adoption of the Monterrey Consensus, despite the difficult fiscal situation of many countries, and are encouraged by those countries that have recently met or surpassed their commitments. Nonetheless, many still fall significantly short of their commitments. We urge all developed countries that have not yet done so to substantially increase their ODA starting immediately with a view to implementing by 2020 their commitment to allocate 0.7 per cent of GNI as ODA to developing countries, with 0.15-0.20 of GNI to LDCs. We strongly encourage all donor countries to establish, by the end of 2015, indicative timetables to illustrate how they will increase their assistance and reach their goals.

57. ODA remains critically important for countries that have limited capacity to raise public resources domestically, including LDCs, LLDCs and SIDS, fragile and conflict affected states, those in protracted crises and sub-Saharan Africa. We encourage developed countries to target ODA to the poorest and those most in need, taking into consideration agreed spending requirements to end poverty and invest in people. We note with great concern the decline in the share of ODA allocated to the poorest and most vulnerable countries, and welcome the agreement of members of the OECD Development Assistance Committee to reverse the declining trend of aid to LDCs.

58. An important use of ODA is to catalyze additional resource mobilization from other sources, public and private. ODA can support improved tax collection and help strengthen domestic enabling environments. It can also be used to unlock infrastructure projects through blended or pooled financing, risk mitigation and through science and technology development and exchange. We will hold open, inclusive and transparent discussions on the modernization of the ODA definition and on the proposed indicator of "total official support for sustainable development (TOSSD)".

59. We welcome the increased contributions of Southern partners to sustainable development and look forward to a further strengthening of South-South cooperation and triangular cooperation, including through multilateral efforts in new institutions. We invite developing countries in a position to do so to further scale up their efforts and make their support more effective, in keeping with the provisions of the Nairobi outcome document of the High-Level United Nations Conference on South South Cooperation. We welcome the initiative of developing country providers to work collectively through the UN Development Cooperation Forum on improving data and coordinating policies on South-South cooperation. We encourage South-South providers to work to further enhance mutual accountability

and transparency with respect to cooperation provisions so as to assist partner countries in planning the most effective use of this support, and to consider including targets and timelines where appropriate, according to methodologies conceived by developing countries that better fit their specificities. We also commit to strengthening triangular cooperation as a means of bringing relevant experience and expertise to bear in development cooperation.

60. We reaffirm the importance of meeting in full existing commitments under international conventions, including on climate finance and other key global challenges.[1] We recognize that funding from all sources will need to be stepped up for investments in many areas, including for low-carbon and climate resilient development, conservation of biodiversity and combatting land degradation and desertification, science, innovation and new technologies. We welcome pledges made to the initial capitalization of the Green Climate Fund, and the Board's work to fully operationalize the Green Climate Fund as soon as possible. We also welcome the reiteration by developed countries, in the context of meaningful mitigation actions and transparency on implementation, of their commitment to meet the goal of mobilizing jointly USD 100 billion a year by 2020 to address the needs of developing countries, coming from a wider variety of sources, public and private, bilateral and multilateral, including alternative sources of finance.

61. We further acknowledge the importance of aligning all financing flows, including ODA, with the three dimensions of sustainable development and that we need to build climate and disaster resilience considerations into development assistance to ensure the sustainability of development results. We recognize that well-designed development actions can capture multiple local and global benefits, including those related to climate change. We recognize the need for transparent accounting for climate finance and welcome the ongoing work in the UNFCCC.

62. We welcome the progress made since the adoption of the Monterrey Consensus to develop and mobilize support for innovative sources of additional official financing for development, in particular by the Leading Group on Innovative Financing for Development. We encourage additional countries to voluntarily join in implementing the agreed mechanisms and to help develop and implement additional innovative modalities, including a widening of countries participating in a financial transaction tax, carbon taxes or market-based instruments that price carbon, taxes on fuels used in international aviation and maritime activities, or additional tobacco taxes. These sources should be additional, and disbursed in a manner that respects the priorities of developing countries, and does not unduly burden them.

63. We recognize the enormous potential of MDBs in financing sustainable development, directly and catalytically, and in helping countries address policy and institutional constraints in a coherent way. We stress that development banks should fully utilize their balance sheets, consistent with maintaining their financial integrity, to help support the ambitions embodied in the SDGs. Regional and multilateral development banks are able to provide non-concessional and concessional development finance to LLDCs, LDCs, SIDS, fragile and conflict affected states, sub-Saharan Africa, as well as middle income developing countries by leveraging contributions and capital, and by mobilizing substantial resources from capital markets. Development banks can play a particularly important role in alleviating constraints on financing infrastructure investment. In this regard, we welcome initiatives to expand the supply of such finance, including through the establishment of new MDBs such as the New Development Bank and the Asian Infrastructure Investment Bank. We also welcome efforts to establish new infrastructure investment platforms by established MDBs. We invite MDBs to strengthen these efforts, including

[1] Acknowledging that the United Nations Framework Convention on Climate Change is the primary international, intergovernmental forum for negotiating the global response to climate change

through alleviating internal constraints. We encourage efforts by the MDBs to make the safeguards process more efficient and time-sensitive, to ensure that public investment is aligned with and contribute to the realization of sustainable development goals without being unduly burdensome. We encourage MDBs to further develop instruments to channel the resources of long-term investors towards sustainable development sectors, e.g. through long-term infrastructure and green bonds.

64. We note with concern that when countries graduate to middle income status, they often lose access to sufficient finance to meet their needs. We encourage MDB shareholders to apply criteria flexibly and give favorable consideration to review graduation criteria to ensure that they are fair, up to date and relevant. We urge providers to take into account the recipient country's level of development, vulnerability, debt level, ability to mobilize domestic resources, access to other sources of finance and the type of programme being funded when determining what type of financing would be most appropriate. We also agree on the importance of enhancing risk mitigation mechanisms for sustainable development investments, such as through the World Bank's Multilateral Investment Guarantee Agency (MIGA).

65. We call on the IFIs to establish a process to examine the role, scale and functioning of the multilateral and regional development finance institutions to make them more responsive to the sustainable development agenda.

66. We also recognize the contributions made by partnerships among public and private providers, both globally and nationally, including their contribution to technical assistance and capacity building. In this regard, we encourage the inclusion of lessons learned in the consideration of future partnership programs and call on them to work with and alongside existing instruments and institutions to ensure coordinated, cross-sectorial and integrated approaches in support of country-driven priorities and strategies.

67. We acknowledge the critical importance of biodiversity in poverty reduction and social and economic development, and recognize that investments in marine, freshwater and terrestrial ecosystems are part of the solutions to financial crises, food crises, water crises and natural disasters. We are committed to realizing the Convention on Biological Diversity's decisions on resource mobilization for implementing the strategic plan for 2011-2020 and beyond. Alignment of sectorial policies with environmental values can be achieved by adopting appropriate economic instruments, increasing public revenue.

68. We acknowledge the role of the Global Environment Facility (GEF) in safeguarding the global environment raising and allocating resources for environmental capacity building in developing countries. We recognize the broad number of environmental issues that need to be tackled at a project level, while at the same time fully support and acknowledge the current development of a more programmatic and integrated approach to sustainable development. We aim to enhance public and private contributions to the GEF in replenishment 7 for both purposes.

69. Global partnerships have been particularly effective in the field of health, including the Global Fund to Fight AIDS, Tuberculosis and Malaria, and Gavi, the Vaccine Alliance. We underscore the importance of developing national health systems, as highlighted by the Ebola crisis. We agree to increase capacity, in particular in developing countries, for early warning, risk reduction and management of national and global health risks, as well as for recruitment, development, training and retention of the health workforce in developing countries, especially in LDCs and SIDS.

70. It will be impossible to deliver education to all children without successfully reaching children in fragile and conflict-affected states. We therefore call for the Global Partnership for Education (GPE), which currently works in and beyond fragile and conflict affected states, to be strengthened and scaled up to

ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to the relevant and effective learning outcomes.

71. In agriculture, food security and nutrition we continue to value the contribution of the Food and Agriculture Organization (FAO), the International Fund for Agricultural Development (IFAD) and the World Food Program (WFP) and IFIs, regional initiatives such as the Comprehensive Africa Agriculture Development Programme (CAADP), Grow Africa, as well as other initiatives such as the multi-donor Global Agriculture and Food Security Program (GAFSP) and the Global Alliance for Climate-Smart Agriculture. To enhance the reach and impact of such initiatives we call on the Secretary-General's High-level Task Force on the Global Food Security Crisis, in partnerships with other relevant actors, including private sector and civil society, to coordinate the preparation of concrete proposals to improve food security and nutrition and scale up programmes for smallholder resilience. Such proposals should acknowledge the important role of regional initiatives on agriculture and food production, and we call for strengthening collaboration with regional initiatives towards addressing the key constraints to sustainable agriculture and the achievement of food security and nutrition.

72. We also welcome continued efforts to increase the effectiveness of development cooperation, and the progress that has been achieved. We will further strengthen national ownership and alignment of activities with national priorities, including through increased joint programming based on national strategies, fully untying aid, strengthening its results orientation and use of country systems, building genuine and inclusive partnerships, and increasing transparency and mutual accountability. Effective development cooperation is particularly important in post-conflict states, and we urge countries to intensify their efforts in such contexts, particularly in using country systems and strengthening capacities. We will pursue these efforts in the Development Cooperation Forum of the Economic and Social Council and in other relevant fora, such as the Global Partnership for Effective Development Cooperation, in a complementary manner.

D. International trade for sustainable development

73. A universal, rules-based, open, non-discriminatory and equitable multilateral trading system as well as meaningful trade liberalization can serve as an engine of economic growth and promote sustainable development, not least by encouraging long-term private and public investment in productive capacities. With appropriate supporting policies, trade can also promote decent work, combat inequality and contribute to the realization of the SDGs.

74. We recognize that multilateral trade negotiations in the World Trade Organization (WTO) have progressed unevenly and slowly, although we regard the approval of the Bali Package in 2013 as an important sign that we can reach significant agreements at global level. We reaffirm our commitment to strengthening the multilateral system, and we commit to work towards reducing fragmentation caused by international trade and investment agreements. We call on members of the WTO to ratify the Trade Facilitation Agreement and implement the Bali Package, including the implementation of the decisions taken in favour of LDCs.

75. Since the adoption of the Monterrey Consensus, developing countries have dramatically increased their share in world exports. South-South trade in particular has increased, partly due to the development of global value chains, in which the stages of production from design to the various steps in manufacturing to marketing and sales may take place in different locations around the world. At the same time, LDC participation in world trade in goods and commercial services remains low and world trade seems unable to return to the buoyant growth rates seen before the global financial crisis. Regional integration

has boosted trade growth and must be further encouraged. We will endeavour to significantly increase world trade in a manner consistent with sustainable development, in particular to the benefit of the LDCs.

76. We remain deeply concerned at the failure to conclude the Doha Development Agenda, and call on WTO members to redouble their efforts to successfully conclude the negotiations as soon as possible and to recommit to placing the interests and concerns of developing countries at the heart of these negotiations. We commit to combat protectionism in all its forms. In accordance with the mandate of the Doha Development Agenda we urge WTO members to seek to correct and prevent trade restrictions and distortions in world agricultural and fishery markets, including by the elimination of all forms of agricultural export subsidies and disciplining all export measures with equivalent effect. We also urge WTO members to commit to accelerate the accession of all developing countries, in particular LDCs, engaged in negotiations for membership in the WTO.

77. Members of the WTO reaffirm that the provisions of special and differential treatment (S&D) are an integral part of the WTO agreements. We look forward to initiation of the monitoring mechanism to review and analyse implementation of specific S&D provisions, as agreed in Bali, including consideration of challenges faced by developing countries in utilizing those provisions.

78. We call for the full and effective implementation of decisions regarding duty-free quota-free market access, for products originating from the LDCs, consistent with the Hong Kong Ministerial Declaration adopted by the WTO in 2005 and the Bali decision in 2013 on duty-free quota-free access. We also will consider to further simplifying the rules of origin related to duty free quota free access. We support and will assist WTO members to take advantage of the flexibilities in the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs) to further the public interest in sectors of vital importance for sustainable development, including public health, in particular to provide access to affordable essential medicines and vaccines for all, and responses to climate change.

79. We recognize the significant potential of regional economic integration to promote growth and sustainable development. We commit to strengthen regional cooperation and regional trade agreements, where relevant. We urge the international community to increase its support to projects that foster regional integration, and call on regional and multilateral development banks, in collaboration with other stakeholders, to address gaps in trade and transport related regional infrastructure.

80. Recognizing that international trade offers opportunities, but also requires complementary actions at the national level, we call on all countries to implement sound domestic policies and reforms conducive to realising the potential of trade for sustainable development. We call for an increase in Aid for Trade to developing countries, in particular to LDCs, and we welcome additional cooperation among developing countries to this end.

81. We will carry out negotiation and implementation of trade and investment agreements in a transparent manner to ensure that trade and investment treaties do not constrain domestic policies to reduce inequality, protect the environment or ensure adequate tax revenues. We will strengthen safeguards in investment treaties, especially by proper review of investor-state-dispute-settlement (ISDS) clauses, to ensure the right to regulate is retained in areas critical for sustainable development, including health, the environment, employment, infrastructure (including electricity and transport), public safety, macro prudential regulations and financial stability.

E. Debt and Debt Sustainability

82. We acknowledge that borrowing is an important tool for financing public and private investment critical to achieving the SDGs, including, for example, in infrastructure. Sovereign borrowing also allows government finance to play a countercyclical role over economic cycles. However, borrowing needs to be managed prudently. Since the Monterrey Consensus, strengthened macroeconomic and public resource management has led to a substantial decline in the vulnerability of many countries to sovereign debt distress, as has the substantial debt reduction accorded to the group of heavily indebted poor countries (HIPCs), as well as certain other countries. Yet many countries remain vulnerable to debt crises and some are in the midst of crises, including a number of SIDS and some developed countries. The international community must continue to support the remaining HIPC-eligible countries in completing the HIPC process, and assist other countries facing potential debt crises.

83. The monitoring and prudent management of liabilities is an important element of comprehensive national financing strategies and is critical to reducing vulnerabilities. In this regard, debt sustainability analysis (DSA) can be a useful tool to inform the level of appropriate borrowing. We welcome the efforts of the World Bank and the IMF to continue to improve the analytical tools for assessing debt sustainability and prudent public debt management. We also welcome their and others efforts to assist countries in strengthening their sovereign debt management and commit to strengthening technical assistance in this area. We invite the IMF and the World Bank in an open consultative process with relevant stakeholders, to further strengthen their analytical tools for sovereign debt management, by for example better taking account of the growth-inducing effects of debt-financed public investment.

84. We welcome the continuing activities of the Task Force on Finance Statistics in setting methodological standards and promoting public availability of data on public and publicly guaranteed sovereign debt and on total external debt obligations of economies and the revised and more comprehensive quarterly publication of debt data. To further enhance its work, we invite the Task Force to consider creation of a central data registry, including information on debt restructurings.

85. We reiterate that debtors and creditors must share responsibility for preventing and resolving unsustainable debt situations. In this regard, we acknowledge UNCTAD's principles on Responsible Sovereign Lending and Borrowing, and the effort of the Working Party on Export Credits and Credit Guarantees of the OECD to provide guidance to its members on responsible sovereign borrowing and on lending to sovereigns. We agree to work in the appropriate forums towards a global consensus on guidelines for debtor and creditor responsibilities in borrowing by and lending to sovereigns, building on existing initiatives.

86. We affirm that in instances where governments face the need to restructure their repayment obligations, it is important that debt restructurings be timely, effective and fair. We believe that the aim of the workout from a sovereign debt crisis should be to restore public debt sustainability and to help the government and people reap the benefits of higher growth. In addition, the ability of countries to achieve sustainable development should be taken into account in debt restructurings.

87. We recognize that important improvements have been made since Monterrey in enhancing the processes for cooperative restructuring of sovereign obligations, including in the Paris Club of official creditors and in the market acceptance of new standard clauses of government bond contracts. Yet we acknowledge that the resolution of sovereign debt crises is governed by a loose set of arrangements. We recognize that there is room to improve the burden-sharing between public and private sectors and between debtors and creditors. This will require a design of international arrangements that minimizes both creditor and debtor moral hazard, and facilitates a fair and efficient restructuring, that respects the

principle of shared responsibility. We welcome the recent work on the IMF's lending framework and take note of the ongoing work at the IMF, UNCTAD and the UN in this area.

88. We are especially concerned by the continuing ability of uncooperative minority bondholders to disrupt the will of the large majority of bondholders who accept a restructuring of a debt-crisis country's obligations. In this regard, we welcome the reforms to pari passu and collective action clauses proposed by the International Capital Markets Association, and endorsed by the IMF, to reduce the vulnerability of sovereigns to holdout creditors. We applaud the legislative steps taken in Belgium and the United Kingdom to impede these activities and encourage other financial centre jurisdictions to similarly take action. We also welcome provision of financial support for legal assistance to low-income countries facing these challenges and agree to boost international support for advisory legal services. We agree as well to explore enhanced international monitoring of litigating creditors' activities, strategies and incentives.

89. We note the increased issuance of sovereign bonds in domestic currency under national laws and the desirability that the relevant guiding national legislation reflect internationally agreed principles and best practice of effective, timely and fair resolution of sovereign debt crises.

90. We appreciate that severe natural or economic shocks can undermine a country's debt sustainability and that public creditors have taken unilateral steps to offer to ease debt repayment obligations following an earthquake, a tsunami and in the context of the Ebola crisis in West Africa. We encourage consideration of further steps in this regard, including introducing specific contingencies in standard bond contracts that would automatically extend repayments as well as in the terms of inter-governmental lending, as in GDP-linked loans or other loans with a countercyclical repayment option that the French development agency currently offers to low-income countries.

F. Systemic issues

91. We committed in Monterrey and Doha to build bridges between development, finance and trade organizations and initiatives, within the framework of the holistic Monterrey agenda. Since Monterrey we have become increasingly aware of the need to take much more serious account of environmental challenges, including natural disasters and climate change, in our coherence agenda. We resolve to take measures to arrive at a stronger, more coherent and more inclusive international architecture to improve global governance for sustainable development.

92. The 2008 world financial and economic crisis underscored the need for sound regulation of financial markets, as well as the imperative of a global financial safety net. We welcome the important steps that have been taken since Monterrey and particularly following the crisis in 2008 to reduce vulnerability to international financial disruption of development. The IMF and the World Bank played important countercyclical roles during the crisis. The IMF bolstered its lending capacity, and the world's principal financial centres have worked together to reduce sources of global financial volatility through stronger national financial regulation in a reform agenda whose completion remains a high policy priority. Nonetheless, regulatory gaps and misaligned incentives continue to pose risks to financial stability, and suggest a need to consider further reforms to the global monetary system.

93. The major economy countries among us commit to continue to strengthen international coordination of macroeconomic policies for greater global financial stability and sustainable development, acknowledging that national policy decisions can have systemic and far-ranging effects well beyond

national borders. In this regard, we welcome frameworks for swap lines among central banks of qualified countries supported by multilateral institutions.

94. At the same time, we recognize the importance of strengthening the permanent international financial safety net. The implementation of the 2010 reforms remains the highest priority for the IMF and we strongly urge the earliest ratification of these reforms. We remain committed to maintaining a strong and quota-based IMF, with adequate resources to fulfill its systemic responsibilities.

95. We invite the IMF to consider regular periodic allocations of special drawing rights (SDRs) to supplement IMF member countries' foreign reserves and to better support developing countries, including LDCs. We welcome new regional and sub-regional economic and financial cooperation initiatives in coordination with the IMF. We call on the relevant international financial institutions to further improve early warning of macroeconomic and financial risks.

96. We agree on the need to respect each country's policy space and leadership to establish and implement policies for poverty eradication and sustainable development. In this regard, we recognize the importance of capital account and macro prudential regulations, and will strengthen our support for capacity-building in monitoring, analyzing and forming policy on capital flow management. We are concerned about the volatility of commodity prices, including food prices. We call on relevant regulatory bodies to adopt measures to ensure that these markets appropriately reflect underlying demand and supply changes, and to facilitate efforts to provide food producers with timely access to market information. We welcome the work by the Financial Stability Board (FSB) on financial market reform. We agree to hasten completion of the reform agenda on financial market regulation, including reducing the systemic risks of shadow banking, including markets for derivatives and repurchase agreements, ending the risk of "too-big-to-fail" financial institutions, and addressing cross-border elements in effective resolution of troubled systemically important financial institutions. We will continue to strengthen frameworks for macro prudential regulation and countercyclical buffers.

97. We acknowledge that we have not solved how to reduce financial regulatory reliance on credit rating agency assessments or promote alternatives to the "issuer-pays" model of credit ratings. We invite increased competition in the provision of credit ratings, including by establishment of public agencies, where appropriate. We will also continue to explore reform of compensation practices in our countries to incentivize greater long-term investment.

98. We resolve to ensure that international agreements, rules and standards are consistent with each other and with progress towards the SDGs, for example, those for trade, intellectual property rights, banking and insurance regulation, balance-of-payments management and accounting standards. To this end, we invite relevant international institutions, as well as private rule-setting bodies, to undertake 'coherence checks' and regularly publish reviews of the impact of their operations on the achievement of economic, social and environmental priorities and in particular the SDGs. We encourage all international and national development finance institutions to align their business practices with sustainable development objectives, including through assessments of their impact on the enjoyment of human rights, including indigenous peoples' rights, progress toward gender equality, and ESG targets that they have adopted. We further invite all relevant international institutions to recognize the group of LDCs, to fully reflect the importance of fragility and structural constraints in achieving the SDGs.

99. We recommit to broadening and strengthening the participation of developing and transition economy countries in international economic decision-making and norm setting. We agree to overcome obstacles to planned resource increases and governance reforms at the IMF. We welcome the expansion in the number of participants in meetings of the FSB and recommend consideration by the FSB, the Basel

Committee on Banking Supervision and the other main international regulatory standard setting bodies to increase the voice and participation of developing countries, including in all of their subsidiary committees. As the shareholders in the main international financial institutions, we commit to open and transparent, gender-balanced and merit-based selection of their heads.

100. Recognizing the positive contribution that well-managed migration and mobility can play for inclusive growth and sustainable development, we will make efforts to enable the orderly, safe and regular migration and mobility of people, while protecting the rights of migrant workers in compliance with the ILO's fundamental conventions, as well as the rights of displaced persons. We also resolve to strengthen national institutions and enhance international cooperation to prevent violence and combat terrorism and crime, and end trafficking and exploitation of children. In this context, we commit to ensuring the effective implementation of the United Nations Convention on Transnational Crime.

101. We resolve to strengthen the coherence and consistency of multilateral financial, investment, trade, and development policy and environment institutions and platforms, and increase cooperation of the major international institutions, while respecting mandates and governance structures. In support of this aim, we commit to take better advantage of United Nations forums for promoting universal and holistic coherence and international commitments to sustainable development, building on the vision of the Monterrey Consensus.

102. Achieving sustainable development for all, including the SDGs, will require coordinated and sustained action, at the local, national, regional and international level. For this purpose, we commit to a revitalized and strengthened global partnership for sustainable development. This global partnership embodies our collective commitment to mobilize the financial and technological resources needed and to direct them toward our common goals. We will further strive for coherence of our economic, environmental and social agreements and policies, which are negotiated in separate forums and implemented through different institutions. We will continue to build bridges between sustainable development, finance and trade organizations and initiatives, within the framework of the holistic agenda of this Accord. We will work in partnership with all stakeholders, recognizing their different responsibilities and capabilities, and we commit to monitoring and reviewing our progress in implementation in an adequate, transparent, evidence-based and participatory manner, to ensure mutual accountability.

G. Technology, innovation and capacity building

103. Technology, innovation and capacity building are critical to achieving sustainable development. We are currently witness to significant advances in a wide range of science and technology fields, which, if harnessed properly, will enable great progress for people and planet. Innovation and diffusion of new technologies is a powerful driver of economic growth and employment creation. New vaccines and medicines will support advances in health. Information and communication technologies (ICT) drive technological progress in a wide range of sectors and have made the diffusion of information easier, which offers great opportunities for education. New technologies and technological diffusion will be key to attain more climate-resilient and resource-efficient development, including through low carbon energy sources and systems. Technology, innovation and capacity building can also promote gender equality and facilitate sustainable production and consumption patterns, resilience against natural disasters, climate change and other shocks, and support the protection of the environment, including preventing deforestation and desertification. However, we note with concern the uneven innovative

capacity and access to technology both within and between countries, as shown for example by a persistent "digital divide", particularly for LDCs.

104. We agree to craft policies that support innovation in areas that can spur sustainable and inclusive growth and increase access to basic services at reduced costs. We recognize the importance of an enabling, regulatory and governance framework in nurturing innovation in both developed and developing countries, including for adaptation of existing technologies. We acknowledge that transferring technology requires an elaborate process of knowledge sharing and adapting technology to meet local conditions.

105. To encourage innovation, countries should remove barriers to entrepreneurship and increase support for research and development, and foster cooperation, including among academia, industry, government, civil society and innovation laboratories. We affirm that regulatory environments that are open, non-discriminatory, transparent, and collaborative can further our efforts substantially by enabling entrepreneurs, scientists, and investors to collaborate and compete in the global marketplace on the merits of their ideas and innovations.

106. Given its entrepreneurial nature, the private sector plays a critical role in fostering innovation and technological development. At the same time, we recognize that private capital is sometimes unwilling to invest in innovation and technologies most necessary for sustainable development, given the high risks and uncertain returns associated with many investments. We underline the importance of public financing and policies, along with development cooperation, to promote research and development, and diffusion and transfer of technologies on mutually agreed terms, particularly to developing countries. Public funding can also be used to ensure that critical projects remain in the public domain. To overcome funding gaps for early stage sustainable technologies and support adaption of clean late-stage technologies, we will consider setting up innovation funds where appropriate, on an open, competitive basis that incentivizes collaboration among private and public actors. We recognize the value of a "portfolio approach" in which public and private venture funds invest in diverse sets of projects to diversify risks and capture the upside of successful enterprises.

107. In this context, we agree to adopt science, technology and innovation (STI) strategies as integral elements of our national sustainable development strategies. These strategies help strengthen the environment for knowledge sharing and collaboration among all stakeholders, including through sound regulation and balanced intellectual property rights regimes. We will also scale up investments in science, technology, engineering and mathematics (STEM) education, and enhance technical and vocational education and training, ensuring equal access for women and girls and encouraging their participation. We will significantly increase access to ICT and strive to provide universal and affordable access to the internet in the LDCs by 2020. In addition, we underscore the need to increase R&D in areas critical to sustainable development.

108. We will increase international cooperation and collaboration on innovation and scientific research, building on existing initiatives, and acknowledging the important role that South-South cooperation and triangular cooperation can play in this regard. We will step up international collaboration in scientific research focusing on specific needs of developing countries, including those related to the achievement of the SDGs, and to adopt open access to research as a general principle for publicly funded research projects. To this end, we will scale up support to PPPs targeting technology development and diffusion in priority areas, including low-carbon climate resilient technologies, climate-resilient agriculture, sustainable urban development (transport, buildings, food and service provision) and vaccines and medicines. We commit to allocate ODA for technical support to national science, technology and

innovative applications, such as hydro-meteorological information and early warning systems, including through human capacity development in developing countries, in particular LDCs.

109. We highly value the research and development of vaccines and medicines for the communicable and non-communicable diseases that primarily affect developing countries and will increase our support of the work of Gavi, The Vaccine Alliance, in incentivizing such innovation and improving equal access to new and underused vaccines. We also commit to further increase investment in agricultural research and development, and call on the Consultative Group on International Agricultural Research (CGIAR) to strengthen long-term partnerships with the private sector, academia, and civil society to accelerate the development, demonstration and diffusion of sustainable agricultural technologies. We agree to continue efforts to upgrade technology for modern and sustainable energy services for all, particularly LDCs and SIDS, and welcome the Secretary-General's Sustainable Energy for All initiative as a useful framework in this regard.

110. We welcome additional recent developments of global investment in research, development, diffusion and capacity building, including the UN Commission on Science and Technology for Development, the Climate Technology Centre and Network's advisory services, the World Intellectual Property Organization's (WIPO) capacity building, and the World Bank's Climate Investment Funds (CIF). We hope to build on these mechanisms, to spur innovation of clean technologies, increase capacity development, close the technology gap and help developing countries move up value chains.

111. We invite specialized agencies, funds and programmes of the United Nations system with technology-intensive mandates to further promote the development and diffusion of relevant technologies and capacity building through their respective work programmes. We commit to strengthen coherence and synergies among technology transfer initiatives within the UN infrastructure.

112. Based on the recommendations from the structured dialogues on a facilitation mechanism to promote the development, transfer and dissemination of clean and environmentally sound technologies, we support the proposal of the Secretary General to establish an online global platform, building on and complementing existing initiatives, in partnership with all relevant stakeholders. The global platform will map existing technology facilitation mechanisms, needs and gaps, including in areas vital for sustainable development, including environment, agriculture, cities and health. It will enhance international cooperation and coordination in this field, address fragmentation and facilitate synergies, including within the United Nations system, and promote networking, information sharing, knowledge transfer and technical assistance, in order to advance the scaling up of clean technology initiatives. We welcome the identification of further steps in line with our shared objectives to accelerate technology facilitation.

113. We look forward to the recommendations of the High-Level Panel on organizational and operational functions of a proposed technology bank for LDCs, and commit to expeditiously establish and make fully operational the technology bank and the science, technology and innovation supporting mechanism dedicated to LDCs, based on the outcome of the High-Level Panel's report. We will work towards enhancing ICT infrastructure development and capacity building in LLDCs and SIDS.

114. In addition, we will work to assure policy environments conducive for technology development and dissemination as well as balanced intellectual property rights (IPR) regimes, including the application of TRIPS flexibilities fully consistent with sustainable development strategies and the necessary consideration of knowledge and technologies in the public domain and under compulsory and public licenses.

H. Data, monitoring and follow-up

115. We will seek to improve the availability of sufficiently disaggregated financing data, including gender-disaggregated data, as well as data on other means of implementation, and to strengthen the capacity of our national statistical offices and systems. We call on relevant international financial institutions to strengthen and standardize data on domestic resource mobilization and other streams of finance. In support of this effort, we commit to enhance capacity building and promote sharing of experiences and expertise among developing countries, and to provide adequate financial support to enable developing countries and LDCs and SIDS in particular, to increase collection and publication of high quality, timely and reliable data in support of the post-2015 development agenda.

116. We recognize that greater transparency is essential. To this end, we welcome proposals on improved statistical indicators of financial and technical cooperation for sustainable development by all official providers and, separately, for development assistance from foundations and other non-governmental providers.

117. Greater transparency can be achieved by publishing timely, comprehensive and forward–looking information on development activities in an independent, standardized, open, electronic format. We will learn from and strengthen existing initiatives and open data standards. A focus on data and statistical systems at the country level will be especially important in order to strengthen domestic capacity and accountability. Targeted support will be needed for this effort.

118. To reach the commitments agreed in this Accord, we commit, in particular, to assist countries in collecting data on domestic flow of funds, including sources, uses and allocation to sustainable development activities by contributing to strengthen national statistical authorities. We also request the UN Statistical Commission, working with the relevant international statistical services and forums, to facilitate enhanced tracking of data on all cross-border financing and other economically relevant flows that brings together existing databases, and to regularly assess and report on the adequacy of international statistics related to financing for sustainable development.

119. We further call on the United Nations and the IFIs to develop a broader metric of well-being than GDP as a sustainable development indicator, which recognizes the multi-dimensional nature of poverty and the social, economic, and environmental dimensions of domestic output.

120. Mechanisms for monitoring progress will be essential to the achievement of the post-2015 development agenda, including the SDGs and the means of implementation. We commit to monitor progress in implementing the agreements in this Accord in a transparent manner and with full multi-stakeholder participation, and to strengthen mutual accountability for development results.

121. A strengthened follow-up process will need to monitor and review implementation of this Accord, comprising the overall financial, trade and investment policies of the global partnership for sustainable development, and ensure coherence and synergies across policy actions. To achieve this, it will be necessary to ensure full participation of ministries of finance, economic development, trade and development cooperation, central banks and financial regulators, as well as the major institutional stakeholders, other MDBs, the OECD, the FSB, other relevant institutions, civil society and the business sector in the relevant processes and fora.

122. We recognize that one of the most important mechanisms to reach our goals is capacity building and peer learning. National initiatives should be supported by the international community. We call for follow-up at the regional level, with the support of relevant regional and other institutions. We

encourage the United Nations regional commissions, in cooperation with regional banks and other organizations, to strengthen platforms for peer review and learning on priority thematic aspects of the global partnership reflected in the present Accord. We invite countries and Regional Commissions to report regularly on their progress and to share lessons learned with the global community.

123. To strengthen follow-up on the global level, we request the Secretary-General to convene an inter-agency Task Force, including the major institutional stakeholders, to report annually on progress in implementing the present Accord and to advise the intergovernmental follow-up thereto on critical implementation gaps and recommendation for corrective action. The report on progress and critical gaps in implementing the global partnership for sustainable development will also be considered by the High-level Political Forum on Sustainable Development, as part of the review mechanism to be established to monitor and review the implementation of the sustainable development goals and its means of implementation. We invite relevant international institutions, regional and other development banks, academia, think tanks, civil society and business to provide input to the inter-agency task force.

124. We will consider the need to hold a follow-up international conference to review and further advance the implementation of the Addis Ababa Accord by 20XX.