

Third International Conference on Financing for Development *2nd Drafting Session - General Discussion*

Statement by the Organisation for Economic Co-operation and Development (OECD)

Monday, 13 April 2015
New York

Co-Facilitators,

The OECD commends the Co-facilitators, the Permanent Representatives of Guyana and Norway, for the delivery of an ambitious zero draft of the Addis Ababa Accord.

We welcome the effort to foster synergies between **more and better aid, more and better investment, and more and better tax**, which resonates with the conclusion of the recent OECD Global Forum on Development. The future of financing for development depends upon this shift to a more complete vision of meeting the vast resources needs required to implement the emerging Sustainable Development Goals – **from more and better AID to more and better A.I.T.**

We look forward to providing further inputs on these specific areas of the Addis Ababa Action Agenda over the course of the week's negotiation sessions.

We echo the **pivotal role of partnerships – public-private, North-South, South-South, triangular, regional, thematic as well as multi-stakeholder – for maximising resource mobilisation, sharing knowledge and disseminating good practices and technology.**

We reaffirm and support the importance accorded to a number of cross-cutting areas currently emphasised in the text, such as:

- **the promotion of gender equality and women's empowerment** for more equitable and effective development worldwide;
- **the targeting of our efforts to meet 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*);

- **the role of non-state actors such as the private sector and philanthropy to leverage investment, innovative financing approaches and share knowledge.** We particularly welcome the recognition of philanthropies as a significant stakeholders to be considered beyond their funding capacities but as sources of expertise, knowledge and as partners in their own right. Moreover, the zero draft echoes the *Guidelines on Effective Philanthropic Engagement* which the OECD Network of Foundations Working for Development has contributed to developing.

In order to chart a more sustainable and prosperous future for all, further emphasis in the Addis Ababa Action Agenda should be accorded to:

- **Ensuring adequate financing for crises and shocks, conflict, natural disasters, and disease outbreaks** which undermine existing development investments and impede the ability of countries to achieve sustainable development and which have known catastrophic effects on economic growth, both inside and beyond borders;
- **Recognising the special needs of countries in conflict and post-conflict situations** – particularly low income ones, where finance, both public and private, should be “conflict sensitive” and adapted to these countries, to minimise risk of exacerbating conflict and capitalise on opportunities for it to promote peaceful societies;
- **Promoting quality education as an investment in social and economic development**, by recognising existing programmes that promote institutional capacity-building for educational targets in the post-2015 framework. The OECD Programme for International Student Assessment (PISA) and the new “PISA for Development” have become leading references on the quality of education systems worldwide. To date, 70 countries have taken part in the assessment, comparing results and learning from one another in PISA’s collaborative global network;
- **Enhancing development effectiveness by signalling the overarching importance of principles such as national ownership, strong institutions, inclusive partnerships, transparency and mutual accountability.**

Thank you.

Specific drafting suggestions attached.

Attachment 1: Specific drafting suggestions (general discussions)

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, philanthropy, ~~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.

45. We welcome the rapid growth of philanthropic giving and the significant financial and non-financial contribution philanthropists individuals have made toward achieving our common goals. We recognize the value added of philanthropy and see them as committed development partners. We welcome their agility, commitment to achieving impact, capacity for innovation and to take risks combined with their ability to leverage additional funds through multi-stakeholders partnerships. We encourage others to join those who already contribute, and call on all philanthropic providers to engage in a dialogue and partner with us in our pursuit of sustainable development. We also welcome the first steps philanthropy has taken towards more transparency by sharing data with international bodies and we encourage the sector to pursue their efforts in that respect, call for increased transparency in philanthropy.

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. Accordingly we agree to promote incentives and support so that states can anticipate risks and integrate risk management into their own development processes, and make appropriate budget allocations to build resilience to those risks. 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. In addition, we agree to adapt and refine international tools for responding to crises and shocks, including crises such as prolonged displacement situations, by providing more predictable and flexible crisis response funding, diversifying funding sources and increasing the use of innovative financing mechanisms, while also committing to reducing the transaction costs related to relief operations.

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.