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What can be expected from the Fourth International Conference on Financing for Development?

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Six years before the deadline for the 2030 Agenda for Sustainable Development, the Fourth International Conference on Financing for Development (FfD4, June-July 2025) provides an important opportunity to make the adjustments needed to accelerate progress towards the Sustainable Development Goals (SDGs), as only 16% of the 169 targets are on track to be met.^{[1](#)} And this process is taking place in an international context marked by numerous crises, requiring a profound reassessment by the various stakeholders.

An adverse context for achieving the SDGs

The [Fourth International Conference on Financing for Development \(FfD4\)](#) will be held in Seville (Spain) from 30 June to 3 July 2025. It follows on from previous conferences (Monterrey in 2002, Doha in 2008, Addis Ababa in 2015), which aimed to align international financing with global socio-economic and environmental priorities. Among other things, these conferences enable an international consensus to be reached on standards that can guide the actions of governments, international organizations, businesses, civil society and philanthropy. In 2015, the FfD3 aimed to mobilize several sources of funding to implement the sustainable development agenda. The Addis Ababa Action Agenda (AAAA) was one of the elements of the deal struck by the countries of the Global South to participate in the Paris Climate Agreement ([IDDRI, 2022](#)): the rise of mistrust in the South towards the financial promises of the North (climate finance and adaptation, biodiversity financing, access to vaccines, etc.).

Ten years later, FfD4 is taking place against a backdrop of major challenges, such as the war in Ukraine and other regions, climate shocks, rising debt and crises amplified by the COVID-19 pandemic. The financing gap for the SDGs and climate action in developing countries is [estimated at \\$4 trillion per year](#), almost double the 2015 estimates.

The need for better international coordination

Ten years after the adoption of the AAAA, FfD4 must, in the words of the UN Secretary-General, 'help ensure that world leaders adopt ambitious reforms to secure affordable long-term financing on a large scale and drive the achievement of the MDGs'.² However, one of the main challenges is that few financing issues are actually dealt with directly under the aegis of the United Nations, but rather in other fora, such as the G20 or the International Monetary Fund (IMF). It is therefore important to clarify the scope of action of FfD4, which could be limited to a declaratory framework for coordination or, on the contrary, aim to lay the foundations for credible commitments, while specifying what will fall under the responsibility of other decision-making forums.

It will be [preceded by four preparatory sessions](#), the [first of which was held from 22 to 26 July 2024 in Addis Ababa](#): bringing together nearly 1,000 delegates from governments, international and civil society organizations, its aim was to review the progress made under the AAAA and to highlight areas where further action was needed under FfD4. The discussions highlighted a number of challenges, from gaps in the international financial architecture to high levels of indebtedness and financing gaps (public and private) for climate investments, particularly in developing economies. Added to this is the erosion of trust between the various partners, presenting risks for international development cooperation.

FfD4 therefore comes at a crucial time, and must tackle the issue of the lack of coordination between countries. No single country can meet today's global challenges on its own. Better international coordination is needed, in particular to increase both transparency and compliance with the commitments made, and not just in financial terms.

Taxation, debt, ODA, INFF: many subjects on the agenda

The areas that FfD4 can address are clearly identified—taxation, debt, mobilization of domestic resources—but the concrete solutions for meeting these challenges remain unclear, making the potential for transformation uncertain. It is therefore essential that FfD4 contributes to the emergence of concrete advances on subjects that had already been little or poorly addressed at FfD3, such as the issue of taxation. The changes and new challenges facing countries mean that we need to rethink the methodologies for allocating funding, such as aid allocation, sovereign

risk analysis, debt accountability and taxation.

Discussions on public debt could occupy an important place at FfD4; changes in the approach of both the Paris Club donors and China, as well as debtor countries, are indeed necessary to better support the achievement of the SDGs. Official development assistance (ODA), a major source of external capital for many countries in the South, will also be at the heart of the discussions. The current tensions over the ability of donor countries to meet their commitments, in particular that of devoting 0.7% of their gross national income (GNI) to ODA,³ are unlikely to diminish between now and 2025. On the other hand, the growing tendency of developed countries to devote a significant proportion of their resources to financing thematic initiatives such as health and climate, by reducing their contributions to the multilateral development banks (MDBs), could affect the cash flow of these institutions as well as their capacity to provide the concessional loans that the least developed economies need most.⁴

Developing economies must therefore increase their capacity to mobilize domestic resources which, in addition to their role in financing development, can strengthen the ownership of public policies and help reduce dependence on external aid and improve a country's solvency. However, when it comes to tax revenues, for example, while it is widely accepted that developing countries must mobilize revenues representing at least 20% of their gross domestic product (GDP) to finance the SDGs, in reality these countries mobilize far less than this threshold. FfD4 could help identify areas for action on this point, at both national and international levels.

At international level, in-depth reflection is needed on the best strategies (including technical assistance and financing for capacity building) to ensure that ODA makes an effective contribution to strengthening the collection of national resources. Tax cooperation also needs to progress, as does the fight against tax evasion and illicit financial flows. This raises the question of the most appropriate institutional form to combine effectiveness and inclusiveness in the definition of tax rules, for example through the establishment of an inclusive global body for the definition of tax rules under the auspices of the UN, or by expanding the role of existing international institutions such as the IMF or the OECD.

At national level, the issues to be raised include best practice in transparency in the collection of tax and non-tax revenues, the fight against corruption, improvements in tax administration and policies, the formalization of the informal sector, and the role of technological change. Thought will also need to be given to changing the balance of power between domestic governments and multinational companies operating in developing economies.

Although some progress has been made under the AAAA, including the increasing use of innovative financing mechanisms, some countries have experienced further setbacks. To truly reinvigorate the SDG agenda, which remains at the heart of the UN's mandate, it is essential to propose pragmatic initiatives and reinvigorate global commitments with more rigorous monitoring mechanisms. FfD4 should thus help to take better account of the diversity of national contexts, needs and priorities of each country. The Integrated National Financing Framework (INFF), mentioned in the AAAA and in the 2030 Agenda, could be a tool for achieving this objective: it guarantees the mobilization and efficient use of financial resources (public or private, domestic or international), and enables better coordination between national and international players, thus facilitating better risk management and increasing transparency in the management of financial flows. For the INFF to be truly effective, it is crucial that it be fully appropriated by the countries themselves and that it be based on existing mechanisms, adapted to national realities, in order to ensure sustainable implementation that is consistent with local priorities. FfD4 should therefore focus on promoting this tool to better align available financing with the SDGs at country level. This will involve identifying the INFF 'champions', and sharing best practices (IDDRI, 2023).

Under what conditions can FfD4 be useful?

The impact of FfD4 will depend essentially on the responsibility and ability of stakeholders to overcome divisions and postures. Frank and constructive discussions will need to be held on the need to rethink international solidarity, ODA, synergies and leverage effects on domestic resources, and the mobilization of the private sector in development financing strategies.

FfD4 is an opportunity for the United Nations to send a strong message about the usefulness and relevance of international cooperation in achieving the SDGs. It is not just a question of declarations, but of highlighting concrete examples of bilateral and multilateral cooperation, free from the logic of competition.

¹ <https://dashboards.sdgindex.org/chapters/part-2-the-sdg-index-and-dashboards>

² <https://www.un.org/sg/en/content/sg/statement/2024-07-22/secretary-generals-video-message-the-first-meeting-of-the-preparatory-committee-for-the-fourth-international-conference-financing-for-development>

³ To date, only five members of the Development Assistance Committee (DAC) [have reached the 0.7% target](#).

⁴ <https://blogs.worldbank.org/en/voices/balancing-act-maximizing-leveraging-global-aid-greater-impact>

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