



Side event of the Leading Group on innovative financing for development:

“Innovative financing in the Post-2015 sustainable development agenda”

July, 14th 2015 – 1:15 to 2:45 pm

Radisson BLU Hotel, Addis Ababa (Sholla 2)

1:15 – 1:20 pm **Opening (5 min)**

- **Mr Eduardo Gálvez Carvallo**, Ambassador, Presidency of the Leading Group, CHILE

1:20 – 2 pm

Theme for discussion: Innovative financing for social sectors and reduction of inequalities: solutions and best practices (40 min)

Introduction and moderation: Mr Philippe Douste-Blazy, UN Under-Secretary-General for Innovative Financing

- **Mr Boubou Cissé**, Minister of Mines, MALI
- **Mr Mike Penrose**, CEO of ACTION AGAINST HUNGER (ACF)
- **Mr Seth Berkley**, CEO of Gavi, Vaccine Alliance
- **Mr Olav Kjørven**, Director of Public Partnerships Division, UNICEF

2 – 2:30 pm

Questions & Answers (30 min)

2: 30 – 2: 45 pm

Closing and adoption of the “Declaration on solidarity levies” (15 min)

- **Ms Annick Girardin**, Secretary of State for Development and Francophonie, FRANCE
- **Mr Shin Dong-ik**, Deputy Minister for Multilateral and Global Affairs, REPUBLIC of KOREA
- **Mr David Hillman**, Director of Stamp Out Poverty

Background Note:

The Leading group on innovative financing is an informal international platform committed to the search for new and innovative sources and mechanisms of financing for development and dedicated to promoting innovative solutions to fund the agenda on sustainable development on the idea that not only do we need more sources but also new types of resources in favour of a world that is just, equitable and inclusive.

The Leading Group acknowledges the progress made since Monterrey and Doha to develop and mobilize support for innovative and additional sources and mechanisms of financing and calls for a renewed commitment of the international community in this area in Addis Ababa. It therefore welcomes paragraph 69 dedicated to innovative financing in the draft Addis Ababa Accord which stresses various examples of existing initiatives that could be replicated to a larger scale to respond to sustainable development needs. In this context, this Side Event aims to promote and highlight the value added of innovative sources and mechanisms to respond to the challenges of the Post 2015 Sustainable Development agenda. Innovative finance is a step up to engage all stakeholders to work together in a new Global Partnership.

The Leading Group's purpose is to contribute to a positive discussion on Innovative Financing and provide technical information and knowledge sharing to the International Community in order to facilitate the decision making process regarding the strategy of implementation of the Sustainable Development Agenda which also comprehends various types of international public financial flows, including ODA and south-south cooperation.

Perspective on the strategy of implementation of the SDGs

There are high expectations for an ambitious and successful outcome of the Third International Conference on Financing for Development (FfD3) to support the implementation of a transformative Post-2015 Sustainable Development Agenda. Addis Ababa is an important step in an interlinked process that will continue in September in New York at the Post-2015 Summit and in December in Paris at the COP 21. It is essential to make the most this three-step process to identify financial alternatives that could impact positively on sustainable development, including climate.

The proposed 17 Sustainable Development Goals (SDGs) are ambitious and the resources required to achieve them are substantial. We expect to get a strengthened financing for development framework with concrete deliverables and a renewed "global partnership for development". The challenges related to poverty eradication, equitable distribution of wealth, especially with regard to women's empowerment, are at the core of our work. Climate change and biodiversity conservation also require mobilizing adequate resources and actors. All these challenges call for a "new approach" in terms of financing tools and partnerships. Innovative financing is definitely part of it.

The Post 2015 Agenda should also be able to contribute to set up the conditions in favor of a pro-growth sustainable development. In this context, it is central that innovative finance plays a role to support the FfD process and strategy. It can also provide perspectives to foster south-south cooperation and promote triangular cooperation frameworks.

Best Practices

There is no simple response to the challenges of the Sustainable Development Agenda. Every country and every region is currently experiencing its right answer recognizing the fact that the Sustainable Development Agenda requires a global response.

The UN has a critical role to play in identifying and promoting the benefits of innovative sources and mechanisms for sustainable development. At the national level - and taking into account the different contexts - every country has responsibilities to fulfill and good appropriation of existing solutions is needed.

Over the past decade, the Leading Group has been capitalizing on experiments of innovative tools, each presenting specific added values. Levies on globalized activities allow ring-fencing resources while contributing to a better repartition of world wealth. The International Finance Facility for immunization (IFFIm) offered a means to front-load resources and ensuring stability and predictability of financial flows. Advanced Market Commitments provided a response to market failures. Social Impact Bonds present opportunities for public and private actors to share investments risks and allows combining financial returns and positive social and environmental impacts. Crowdfunding models create social bond while diversifying the financial sources for a development project, etc. This side event aims at opening a discussion on existing and new options to be considered by all development stakeholders.

Proposed key points to be discussed:

- Voluntary contributions on extractive industries revenues in Africa: the case of UNITLIFE.
- Solidarity taxes on globalized activities: civil society mobilization across the globe and experience sharing from committed governments.
- Innovative partnerships for sustainable development with multiple actors, including public and private entities.