

2016 Inaugural Inter-agency Task Force (IATF) Report on Financing for Development Annotated outline

The Addis Ababa Action Agenda (AAAA) provides a comprehensive and integrated framework for financing sustainable development, while also supporting implementation of the SDGs. The Addis Ababa Action Agenda encouraged the Secretary-General to convene this inter-agency task force to (i) review progress in implementing the FfD outcomes and the means of implementation (Moi) of the Sustainable Development Goals (SDGs), and (ii) advise the intergovernmental follow-up process on implementation gaps and make recommendations for corrective action, while taking into consideration the national and regional dimensions.

Monitoring progress in implementation of this broad agreement will be challenging. The IATF will present a data-driven analytical report on Addis commitments and other action items, structured around the 7 chapters of the Agenda. It will build on the indicators for the Moi targets of the SDGs, which are contained in the Addis Agenda, but will have to go further to (i) cover additional commitments and action items in the Addis Agenda and made in conjunction with the Addis Conference, and (ii) assess progress in implementing commitments and action items related to policy processes, which may not be easily captured in quantitative indicators.

As a full review of progress in early 2016 would be premature, the inaugural 2016 IATF Report will be an abbreviated version. It will present options for the monitoring framework for the follow-up and review of the FfD outcomes. It will present the agreements in the Addis Agenda, including key principles and action items in each of its chapters as well as crosscutting actions. To avoid adding to the reporting burden of countries, it will identify existing data on these commitments and action items, including those indicators measuring progress on the SDG Moi targets, and key data and information gaps and options to close them. It will also discuss options for monitoring and follow-up in areas where data is lacking.

This analysis will serve to inform intergovernmental discussions on monitoring, follow-up and review of implementation of the Addis Agenda and the 2030 Agenda at the 2016 inaugural FfD Forum in April and the 2016 HLPF in July.

The outline presented in the following pages sets out action items and commitments made in Addis by action area (with the paragraph numbers listed in parentheses.) A separate chapter of the report on crosscutting issues will include commitments and action items from the introductory chapter of the Addis Agenda, including policy actions on those items from across the Agenda. For the sake of clarity, these issues are currently also included in the chapter outlines (as highlighted text). In the final report, however, repetitions can be deleted or paired back. Finally, the report will follow-up on commitments and action items addressed in the concluding chapter of the Addis Agenda, focusing on data and monitoring issues.

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Introductory Chapter – Monitoring the Addis Agenda

The introductory chapter will present the key elements of the Addis Agenda’s financing framework as well as its relation to the 2030 Agenda. It will lay out, in a schematic way, how the policies and actions in the seven action areas of the Addis Agenda map to the SDGs. The chapter will then present key characteristics of a suitable monitoring framework, drawing on lessons learned from monitoring the Monterrey Consensus, the Doha Declaration, the MDGs and MDG 8 on the global partnership in particular. These characteristics will guide more detailed analysis, assessments of available indicators and data gaps, and options for monitoring each of the action areas and crosscutting commitments and action items in the subsequent chapters of the report.

- 1. The evolving global situation**
- 2. From Monterrey to Addis Ababa and the means of implementation for the SDGs: Monitoring Financing for Development outcomes**
 - The relationship between the Addis Agenda and the SDGs
 - Monitoring the commitments and actions in the Addis Agenda
- 3. Task Force assistance to the Financing for Development Follow-up**
 - Moving from monitoring to action

Crosscutting issues

The Addis Agenda identifies a range of crosscutting areas that seek to harness the considerable synergies in the SDG framework. They include social protection, hunger and malnutrition, infrastructure, inclusive and sustainable industrialization, full and productive employment, protecting ecosystems, peaceful and inclusive societies, gender equality, and the global partnership. These crosscutting areas are introduced in the framework chapter of the Addis Agenda, and in many cases complemented by additional policy actions and commitments across its different chapters.

To follow-up on these commitments and action items in a comprehensive manner that will highlight the complementarity of these actions, the IATF report will contain a chapter on these crosscutting issues. There will be some areas of overlap between these issues and the chapters in Part 2, which are noted. The goal is to rationalize and minimize these in the final report. The Addis Agenda also serves as a guide for further actions by Governments, international organizations, the business sector, civil society and philanthropists. In addition to the agreements reached in the outcome document, there are more than 65 initiatives launched and concrete announcements made at the Conference. Follow-up to the initiatives will be included in an annex.

1. Introduction

2. Delivering social protection and essential social services

- commit to provide fiscally sustainable and nationally appropriate social protection systems and measures for all, including floors, with a focus on those furthest below the poverty line and the vulnerable, persons with disabilities, indigenous persons, children, youth and older persons **(12, SDG 1.3, Mol 8.b)**
- are encouraged to consider setting nationally appropriate spending targets for quality investments in essential public services for all, including health, education, energy, water and sanitation, consistent with national sustainable development strategies **(12)**
- commit strong international support for these efforts, and [to] explore coherent funding modalities to mobilize additional resources, building on country-led experiences **(12)**

3. Ending hunger and malnutrition

- Commits to take action to fight malnutrition and hunger **(SDG 2.1 and 2.2)**, including among the urban poor; and to strengthen efforts to enhance food security and nutrition, focused on smallholders, women farmers **(SDG 2.3)**, and agricultural cooperatives and farmers' networks. **(13)**
- Commits to support sustainable agriculture, including forestry, fisheries and pastoralism **(13, SDG 2.4, Mol 2.a)**
- Encourages increased private investment and commits to increasing public investment, particularly for financing research, infrastructure and pro-poor initiatives **(13)**
- Commits to significantly reduce post-harvest food loss and waste **(13, SDG 12.3)**
- Calls on WTO members to correct and prevent trade restrictions and distortions in world agricultural markets, including through the parallel elimination of all forms of agricultural export subsidies and disciplines on all export measures with equivalent effect **(83, Mol 2.b, see Chapter II.D.)**
- Commits to ensure the proper functioning of food commodity markets and their derivatives **(108, Mol 2.c)**; Commits to facilitate timely, accurate and transparent access to market information in an effort to ensure that commodity markets appropriately reflect underlying demand and supply changes and help limit excess volatility **(108, MOI 2.c)**

4. Closing the infrastructure gap

4.1. Bridge the global infrastructure gap, including the \$1-1.5 trl gap in developing countries

- Identify and address infrastructure and capacity gaps across countries and sectors, in particular in LDCs, LLDCs, SIDS and African countries **(14)**

4.2. As a key pillar to meet the sustainable development goals, establish a global infrastructure forum, led by the multilateral development banks, aiming to:

- Improve alignment and coordination among infrastructure initiatives **(14)**
- Encourage a greater range of voices to be heard, particularly from developing countries **(14)**
- Work to ensure investments are environmentally, socially and economically sustainable **(14)**

4.3. Domestic actions and international cooperation for infrastructure financing

- Governments commit to embed resilient and quality infrastructure investment plans in national sustainable development strategies, and to improve domestic enabling environments **(47)**
- Commit enhanced financial and technical support to facilitate development of sustainable, accessible and resilient quality infrastructure in developing countries **(Mol 9.a)**, including to translate plans into concrete project pipelines, as well as for individual implementable projects, including for feasibility studies, negotiation of complex contracts, and project management **(47)**

4.4. Development banks and infrastructure financing

- Calls on national and regional development banks to expand contributions in sustainable infrastructure **(33)**
- Emphasizes the role of MDBs in infrastructure investment, including sub-sovereign loans **(75)** and encourages MDBs to address regional infrastructure gaps **(87)**
- Encourage MDBs to help channel resources of long-term investors towards sustainable development, including through long-term infrastructure and green bonds **(75)**

4.5. Private investment in infrastructure

- Encourages long-term institutional investors, such as pension funds and sovereign wealth funds, which manage large pools of capital, to allocate a greater percentage to infrastructure, particularly in developing countries **(47)**

4.6 Public and private blended finance for infrastructure financing

- Calls for projects involving blended finance, including PPPs, to share risks and rewards fairly, include clear accountability mechanisms and meet social and environmental standards **(48)**
- Calls for careful consideration on the structure and use of blended finance instruments **(48)**
- Commits to capacity development for PPPs and to build a knowledge base and share lessons learned through regional and global forums **(48)**
- Commits to hold inclusive, open and transparent discussion when developing and adopting guidelines and documentation for the use of PPPs **(48)**

5. Promoting inclusive and sustainable industrialization

- Commits to invest in promoting inclusive and sustainable industrial development to effectively address major challenges such as growth and jobs, resources and energy efficiency, pollution and climate change, knowledge-sharing, innovation and social inclusion **(15, SDG 9.2, 9.4)**
- Commits to craft policies that incentivize the creation of new technologies, research and innovation in developing countries, recognizing the importance of... industrial diversification and value added to commodities **(116, Mol 9.b)**
- Calls on national and regional development banks to expand contributions in industrialization **(33)**

6. Generating full and productive employment for all

- Commits to include full and productive employment and decent work for all **(SDG 8)** as central objective in national development strategies **(16)**

- Calls for full and equal participation of women and men, including persons with disabilities, in the formal labour market **(16, SDG 8.5)**
- Will work ... to integrate the informal sector into the formal economy in line with country circumstances **(22, SDG 8.3)**
- Commits to developing and operationalizing, by 2020, a global strategy for youth employment and implement the ILO Global Jobs Pact by 2020 **(16, Mol 8.b)**
- Commits to promote national youth strategies as a key instrument for meeting the needs and aspirations of young people **(16)**
- Commits to promoting appropriate, affordable and stable access to credit to MSMEs **(SDG 8.3)**, as well as adequate skills development training for all **(16)**

7. Protecting ecosystems

- Commits to coherent policy, financing, trade and technology frameworks to protect, manage and restore our ecosystems, including marine and terrestrial ecosystems, and to promote their sustainable use, build resilience, reduce pollution and combat climate change, desertification and land degradation **(17)**
- Welcomes implementation of the global Strategic Plan for Biodiversity and its Aichi Biodiversity Targets; commits to mobilize resources, support country efforts to conserve and sustainably use biodiversity and ecosystems **(63, Mol 15.a)**
- Commits to combat desertification **(63, SDG 15.3)**
- Encourages the mobilization of financial resources from all sources at all levels to conserve and sustainably use biodiversity and ecosystems, including promoting sustainable forest management **(63, Mol 15.b)**
- Stresses importance of the conservation and sustainable use of the oceans and the seas, recognizes that international law, as reflected in UNCLOS, provides the legal framework for the conservation and the sustainable use of the oceans and their resources **(64, Mol 14.c)** and commits to protect/restore oceans and ecosystems, and maintain their biodiversity **(64, SDG 14)**
- Commits to support the most vulnerable in addressing and adapting to climate change **(65, SDG 1.5, 13.1, Mol 13.b)**
- Commits to provide access for small-scale artisanal fishers to marine resources and markets, consistent with sustainable management practices as well as initiatives that add value to outputs from small-scale fishers **(108, Mol 14.b)**
- Will increase scientific knowledge, develop research capacity and transfer marine technology, taking into account the Criteria and Guidelines on the Transfer of Marine Technology adopted by the Intergovernmental Oceanographic Commission, in order to improve ocean health and to enhance the contribution of marine biodiversity to the development of developing countries, in particular small island developing States and least developed countries **(121, Mol 14.a)**
- Commits to promote corporate sustainability **(17, SDG 12.6)**

8. Promoting peaceful and inclusive societies

- Reaffirms the importance of peaceful, secure and inclusive societies **(5, 18, 67, SDG 16)**
- Stresses the need to build effective, accountable and inclusive institutions at all levels **(5, 18, 20, 30, 112, SDG 16.6, Mol 16.a)**
- Recognizes that good governance, rule of law **(SDG 16.3)**, human rights, fundamental freedoms, equal access to fair justice systems are integral to efforts **(5, 18, 20, 36, 37, 112)**
- Recognizes measures to combat corruption and curb illicit financial flows as integral **(5, 18, 20, 23, 24, 25, 27, 112, SDG 16.4, 16.5)**
- Commits to promoting and enforcing non-discriminatory laws **(21, Mol 16.b)**

8.1. Peaceful and inclusive societies

8.2. Effective, accountable, transparent and inclusive institutions

8.3. Good governance**8.4. Combatting corruption****9. Gender equality**

- Commits to ensuring gender equality and women's and girls' empowerment **(1, SDG MoI 1.b, 5.c)**
- Commits to adopt and strengthen policies, enforceable legislation and transformative actions for the promotion of gender equality and women's and girls' empowerment at all levels, to ensure women's equal rights, access and opportunities for participation and leadership in the economy and to eliminate gender-based violence and discrimination in all its forms **(6, SDG 5.1, 5.2, 5.3 SDG MoI 1.b, 5.c)**
- Commits to promoting and enforcing non-discriminatory laws, social infrastructure and policies for sustainable development as well as enabling women's full and equal participation in the economy and equal access to decision-making processes and leadership **(21, SDG 5.1, 5.5, SDG MoI 1.b)**
- Commits to increase transparency and equal participation in the budgeting process, and promote gender responsive budgeting and tracking **(30, SDG MoI 5.c)**
- Commits to women's and girls' equal rights and opportunities in political and economic decision-making and resource allocation and to removing barriers for women's full participation in the economy **(41, SDG 5.5)**
- Commits to improve access and opportunities for economic advancement for women; Resolves to undertake legislation and administrative reforms to give women equal rights with men to economic resources, including access to ownership and control over land and other forms of property, credit, inheritance, natural resources and appropriate new technology **(41, SDG 5.1, SDG MoI 5.a)**
- Supports Women's Empowerment Principles by UN Women and the Global Compact; Encourages the private sector to ensure women's full and productive employment and decent work, equal pay for equal work or work of equal value, and equal opportunities, and to protect them from discrimination and abuse in the workplace; Encourages increased investments in female-owned companies **(41, SDG 5.1, 8.8)**
- Urges countries to track and report resource allocations of international public finance for gender equality and women's empowerment **(53, SDG MoI 5.c)**
- Commits to address challenges to women's equal and active participation in domestic, regional and international trade **(90)**
- Commits to scaling up investments in science, technology, engineering and mathematics education, and enhance technical, vocational and tertiary education and training, ensuring equal access for women and girls and encouraging their participation therein, (including through international cooperation) **(119, SDG 4.5, 17.6)**

10. Investing in children and youth

- Recognizes that investing in children and youth is critical to achieving inclusive, equitable and sustainable development for present and future generations **(7)**
- Recognizes the need to support countries that face particular challenges to make the requisite investments in children and youth **(7)**
- Reaffirms the vital importance of promoting and protecting the rights of all children, and ensuring that no child is left behind **(7)**
- Commits to promote national youth strategies as a key instrument for meeting the needs and aspirations of young people **(16)**

11. Addressing the diverse needs and challenges faced by countries in special situations

- Commits to support the implementation of relevant strategies and programmes of action for least developed countries, landlocked developing countries, and small island developing States **(8)**
- Reaffirms the need to achieve a positive socioeconomic transformation in Africa, and the need to address the diverse and specific development needs of middle-income countries **(8)**

- Recognizes the development challenge posed by conflict and the importance of the Peacebuilding Fund, and takes note of the principles set out in the New Deal by the Group of Seven Plus **(8)**

12. Global partnership

- Commits to reinvigorate the global partnership for sustainable development **(9, MoI 17.6)**
- Recognizes that the enhanced and revitalized global partnership for sustainable development, led by Governments, will be a vehicle for strengthening international cooperation for implementation of 2030 agenda; and that multi-stakeholder partnerships and the resources, knowledge and ingenuity of the private sector, civil society, the scientific community, academia, philanthropy and foundations, parliaments, local authorities, volunteers and other stakeholders will be important to mobilize and share knowledge, expertise, technology and financial resources, complement the efforts of Governments, and support the achievement of the sustainable development goals, in particular in developing countries **(10, MoI 17.16)**
- Commits to respect each country's policy space and leadership to implement policies for poverty eradication and sustainable development, while remaining consistent with relevant international rules and commitments **(9, MoI 17.15)**
- Encourages and promotes partnerships to support country-driven priorities and strategies, building on lessons learned and available expertise **(76, MoI 17.17)**

Action Area II.A. – Domestic public resources

Section II.A of the Addis Agenda includes principles, policies and commitments for both domestic resource mobilization and expenditure. This chapter of the report focuses not only on raising resources but also on their quality and alignment with sustainable development. Many commitments and action items are national in nature, but implementation needs to be supported by international actions in a number of areas. The chapter will assess key trends and follow up on commitments and action items, including: domestic resources and taxation, illicit flows and return of stolen assets and international tax cooperation on the resource mobilization side, and the social compact, subsidies, transparency and governance on the expenditure side. Extractive industries, development banks and subnational finance conclude the chapter, while gender and other inequality issues are addressed throughout.

1. Introduction

2. Domestic resource mobilization and taxation

2.1. Resource mobilization and domestic targets

- Remain committed to further strengthening the mobilization and effective use of domestic resources **(20, Mol 17.1)**
- Welcomes efforts by countries to set nationally defined domestic targets and timelines for domestic revenues as part of their national sustainable development strategies **(22)**
- Commit support to developing countries in need in reaching these targets **(22, Mol 17.1)**

2.2. Tax policy effectiveness, transparency and administration

- Enhance revenue administration through modernized, progressive tax systems, improved tax policy and more efficient tax collection **(22)**
- Work to improve the fairness, transparency, efficiency and effectiveness of our tax systems, including by broadening the tax base and continuing efforts to integrate the informal sector into the formal economy in line with country circumstances **(22)**
- Recognizes that price and tax measures on tobacco can be an effective and important means to reduce tobacco consumption and health-care costs, and represent a revenue stream for financing for development in many countries **(32, Mol 3a)**

3. Illicit financial flows

- Commits to redouble efforts to substantially reduce IFFs by 2030, with a view to eventually eliminating them, including by combating tax evasion and corruption through strengthened national regulation and increased international cooperation **(23, SDG 16.4)**
- Invite other regions to carry out exercises similar to the High Level Panel on Illicit Financial Flows from Africa **(24)**
- Invite appropriate international institutions and regional organizations to publish estimates of the volume and composition of illicit financial flows **(24)**
- Commit to strive to eliminate safe havens that create incentives for transfer abroad of stolen assets and IFFs **(25)**

4. Return of stolen assets

- Encourages the international community to develop good practices on asset return **(25)**
- Supports the Stolen Asset Recovery Initiative of the United Nations and the World Bank, and other international initiatives that support the recovery of stolen assets **(25)**
- Commits Governments to work to strengthen regulatory frameworks to increase transparency and accountability of financial institutions, the corporate sector and public administrations **(25)**

5. International Tax Cooperation

5.1. Combatting money laundering/terrorist financing

- Commit to strengthen international cooperation and national institutions to combat money-laundering and financing of terrorism **(25)**
- Commit to identify, assess and act on money-laundering risks, including through effective implementation of the Financial Action Task Force standards on anti-money-laundering/counter-terrorism financing **(24)**
- Encourage information-sharing among financial institutions to mitigate the potential impact of the anti-money-laundering and combating the financing of terrorism standard on reducing access to financial services **(24)**

5.2. International efforts to combat tax avoidance and evasion

- Commits to enhance disclosure practices and transparency in source and destination countries, including through transparency in all financial transactions between Governments and companies to relevant tax authorities **(23)**
- Commits Member States to make sure that all companies, including multinationals, pay taxes to the Governments of countries where economic activity occurs and value is created **(23)**
- Encourages countries to work together to strengthen transparency and adopt policies, including: MNE reporting country-by-country to tax authorities where they operate; access to beneficial ownership information for competent authorities; and progressively advancing towards automatic exchange of tax information among tax authorities as appropriate, with assistance to developing countries, especially LDCs, as needed **(27)**
- Stresses that efforts in international tax cooperation should be universal and should fully take into account the different needs and capacities of all countries **(28)**
- Welcomes on-going efforts, including the work of the Global Forum on Transparency and Exchange of Information for Tax Purposes; takes into account OECD work on BEPS **(28)**
- Decides to further enhance the resources of the Committee of Experts on International Cooperation in Tax Matters to strengthen its effectiveness and operational capacity **(29)**; increase the frequency of its meetings and its engagement with the Economic and Social Council through the Special Meeting on International Cooperation on Tax Matters **(29)**; Urges Member States to support the Committee and its subsidiary bodies through the voluntary trust fund **(29)**

5.3. Tax treaties and voluntary agreements

- Commit to reduce opportunities for tax avoidance, and consider inserting anti-abuse clauses in all tax treaties **(23)**
- Note that countries can engage in voluntary discussions on tax incentives in regional and international forums to end harmful tax practices **(27)**

5.4. Capacity Building

- Commit to strengthen international cooperation to support efforts to build capacity in developing countries, including through enhanced ODA **(22, Mol 17.1)**
- Commit international support to developing countries in need in reaching targets for enhancing domestic revenue **(22, Mol 17.1)**
- Support strengthening of regional networks of tax administrators **(28)**

6. Expenditure

6.1. Fossil fuel subsidies

- Reaffirms the commitment to rationalize inefficient fossil-fuel subsidies that encourage wasteful consumption by removing market distortions, in accordance with national circumstances, including by restructuring taxation and phasing out those harmful subsidies, where they exist, to reflect their

environmental impacts, taking fully into account the specific needs and conditions of developing countries and minimizing the possible adverse impacts on their development in a manner that protects the poor and the affected communities **(31, Mol 12.c)**

6.2. National control mechanisms, transparency, non-discrimination and procurement

- Commit to strengthen national control mechanisms, such as supreme audit institutions, along with other independent oversight institutions, as appropriate **(30)**
- Commit to establish transparent public procurement frameworks as a strategic tool to reinforce sustainable development **(30)**
- Commit to increase transparency and equal participation in the budgeting process **(30)**

7. Additional topics

7.1. Extractives and resources sector

- Encourages investment in value addition, processing and productive diversification **(26)**
- Commits to addressing excessive tax incentives related to these investments, particularly in extractive industries **(26)**
- Encourages countries to implement measures to ensure transparency, and takes note of voluntary initiatives such as the Extractive Industries Transparency Initiative **(26)**
- Commits Governments to share best practices and promote peer learning and capacity building **(26)**

7.2. National development banks

- Calls on national and regional development banks to expand their contributions in areas important for sustainable development where private financing is limited, and urge relevant international public and private actors to support such banks in developing countries **(33)**

7.3. Subnational urban development/planning, subnational financing

- Encourages the participation of local communities in decisions affecting their communities, such as in improving drinking water and sanitation management **(34, Mol 6.b)**
- Commits Governments to support cities and local authorities of developing countries, particularly in LDCs and SIDS, in implementing resilient and environmentally sound infrastructure and sustainable and resilient buildings using local materials **(34, Mol 6.a, Mol 9.a, Mol 11.c)**
- Commits to increase the number of cities and human settlements adopting and implementing integrated policies and plans towards inclusion, resource efficiency, mitigation and adaptation to climate change, and resilience to disasters by 2020 **(34, Mol 11.b)**
- Commits Members to develop and implement holistic disaster risk management at all levels in line with the Sendai Framework **(34, Mol 11.b)**
- Commits States to support national and local capacity for prevention, adaptation and mitigation of external shocks and risk management **(34)**
- Commits States to scaling up international cooperation to strengthen capacities of municipalities and other local authorities **(34)**
- Commits to strive to support local governments in their efforts, as appropriate, to mobilize revenues, strengthen debt management, and strengthen municipal bond markets **(34)**
- Commits to promote lending from financial institutions and development banks, along with risk mitigation mechanisms, such as the MIGA, while managing currency risk **(34)**
- Commits to enhance inclusive and sustainable urbanization and strengthen economic, social and environmental links between urban, peri-urban and rural areas by strengthening national and regional development planning, within the context of national sustainable development strategies **(34, Mol 11a)**

Action Area II.B. – Domestic and international private business and finance

Private business and finance drive economic growth and the jobs essential for ending poverty. However, Section II.B. of the Addis Agenda points out that more must be done to ensure sufficient and quality finance and contains policy commitments and action items to this effect, including aligning business activities with sustainable development, offering financial services for all within a regulatory system that ensures financial stability, and incentivizing investment in under-financed countries and sectors and with a longer-term investment horizon. This chapter will assess main trends in private business and finance and then follow up on efforts to align business activities with sustainable development, policy and regulatory frameworks to align public policy with global goals, access to finance and financial inclusion, development of domestic markets, remittances, foreign direct and other investments in underfunded areas, philanthropy, infrastructure and gender.

1. Introduction

2. The investment climate

- Create transparent, stable and predictable investment climates, with proper contract enforcement and respect for property rights, embedded in sound macroeconomic policies and institutions, transparent and stable rules, and free and fair competition **(36)**

3. Private sector efforts and initiatives

- Urges businesses to embrace a core business model that takes account of the environmental, social and governance impacts of their activities **(37)**
- Commits to promote sustainable corporate practices, including integrating environmental, social and governance factors into company reporting as appropriate, with countries deciding on the appropriate balance of voluntary and mandatory rules **(37)**
- Encourages adoption of principles for responsible business and investing and supports related work of the Global Compact **(37)**
- Commits to work towards harmonizing the various initiatives on sustainable business and financing, identifying gaps, including in relation to gender equality, and strengthening the mechanisms and incentives for compliance **(37)**
- Encourages investors to take measures to incentivize greater long-term investment such as reviews of compensation structures and performance criteria **(47)**
- Encourages impact investing **(37)**

4. Policies and regulatory frameworks to better align business and finance with global goals

- Commits to protect labour rights and environmental and health standards in accordance with relevant international standards and agreements, such as the Guiding Principles on Business and Human Rights and the labour standards of ILO, the Convention on the Rights of the Child and key multilateral environmental agreements, for parties to those agreements **(37)**
- Acknowledges importance of regulation to cover all financial intermediation (e.g. shadow banking as well as microfinance) **(38)**
- Commits to work to ensure that policy and regulatory environment supports financial market stability and promotes financial inclusion in a balanced manner **(38)**
- Calls on standard-setting bodies to identify adjustments that could encourage long-term investments within a framework of prudent risk-taking and robust risk control **(47)**
- Endeavours to design policies to promote incentives are aligned with long-term performance and sustainability indicators, and that reduce excess volatility **(38)**

5. Achieving financial inclusion

5.1 Financial services for all

- Commits to work towards full and equal access to formal financial services for all **(39)**
- Commits to adopt or review financial inclusion strategies, in consultation with relevant stakeholders, and to consider including financial inclusion as a policy objective in financial regulation, in accordance with national priorities and legislation **(39)**
- Encourages commercial banking systems to serve all, including women **(39)**
- Supports microfinance institutions, development banks, agricultural banks, mobile network operators, agent networks, cooperatives, postal banks and savings banks as appropriate **(39)**

5.2 Promoting lending to micro, small and medium-sized enterprises

- Commits to promoting affordable and stable access to credit to MSMEs **(16)**
- Encourages international and national development banks to promote finance for SMEs, noting the IFC, including through the creation of credit lines **(33, 43)**
- Recognizes that financial regulations can permit collateral substitute, create appropriate exceptions to capital requirements, reduce entry and exit costs to increase competition and allow microfinance to mobilize savings by receiving deposits **(43)**
- Commits to strengthen capacity for cost-effective credit evaluation, including through public training programmes, and through establishing credit bureau where appropriate **(43)**
- Commits to providing adequate skills development training for all, particularly for youth and entrepreneurs **(16)**

5.3 Increasing and diversifying lending and financial tools for increased access

- Encourages the use of innovative tools, including mobile networks, banking, payment platforms and digitalized payments **(39)**
- Recognizes the potential of new investment vehicles, such as development-oriented venture capital funds, blended finance, risk mitigation instruments and innovative funding structures **(43)**

5.4 Capacity building on financial literacy and inclusion

- Promotes financial literacy **(40)**
- Expands peer learning and experience-sharing among countries and regions, including through the Alliance for Financial Inclusion and regional organizations **(39)**
- Commits to strengthening capacity development, including through the UN development system, and encourage collaboration between initiatives **(39, 43)**

6 Developing domestic capital markets

- Work towards developing long-term bond markets **(44)**
- Work towards developing insurance markets, including crop insurance on non-distortive terms **(44)**
- Strengthen supervision, clearing, settlement and risk management **(44)**
- Recognize that regional markets can provide scale and depth **(44)**
- Increase local currency lending from MDBs **(44)**
- Enhance international support in domestic capital markets; strengthen capacity building, including through regional and international forums for knowledge-sharing **(44)**
- Stress the importance of managing volatility associated with foreign inflows **(44)**
- Endeavour to design capital market regulations that promote incentives along the investment chain that are aligned with long-term performance and sustainability, and that reduce excess volatility **(38)**

7 Facilitating the flow of remittances

- Reduce the average transaction cost of migrant remittances by 2030 to less than 3 per cent of the amount transferred; and to ensure that no remittance corridor charges higher than 5 per cent by 2030, **(MoI 10c)** while maintaining service coverage **(40)**
- Work to ensure that affordable financial services are available to migrants in home and host countries; to reverse the trend of banks withdrawing services; to increase coordination among

national regulatory authorities to remove obstacles for non-bank remittance providers; to promote competitive and transparent market conditions **(40)**

- Exploit new technologies and improve data collection **(40)**

8 Encouraging quality direct investment/foreign direct investment, particularly in underfunded sectors and countries

- Strengthen efforts to incentivize FDI and address financing gaps and low levels of FDI in developing countries, particularly least developed countries, landlocked developing countries, small island developing States and countries in conflict and post conflict situations **(45, 46, MoI 10.b)**
- Acknowledges that foreign direct investment is concentrated in a few sectors in many developing countries and often bypasses countries most in need, and international capital flows are often short-term oriented **(35)**
- Commits to adopt and implement investment promotion regimes for LDCs **(MoI 17.5)**
- Encourages the alignment of FDI with national and regional sustainable development strategies; promotes policies to strengthen spillovers as well as integration into value chains **(45)**
- Encourages project preparation and prioritizing projects with employment and decent work, sustainability, industrialization, diversification and agriculture; financial and technical support; collaboration between home and host country agencies **(45)**
- Encourages consideration of insurance, investment guarantees, including through MIGA, and new financial instruments. Encourages innovative mechanisms and partnerships **(45)**
- Commits financial and technical support for project preparation and contract negotiation, investment-related dispute resolution, access to information on investment facilities and risk insurance and guarantees such as through the MIGA, as requested by LDCs **(46)**

9 Incentivizing investment in underfunded areas, including clean and affordable energy

- Aims to ensure universal access to affordable, reliable, modern and sustainable energy services for all by 2030; to substantially increase the share of renewable energy; and to double the global rate of energy efficiency and conservation **(49, SDG 7.1, 7.2, 7.3)**
- Promotes public and private investment in energy infrastructure and clean technologies including carbon capture and storage; commits to enhance international cooperation to provide adequate support and facilitate access to clean energy research development **(49, MoI 7.a)**
- Commits to enhance international cooperation to expand infrastructure and upgrade technology for modern and sustainable energy services to all developing countries, in particular LDCs and SIDS **(49, MoI 7.b)**
- Calls for action on SE4All recommendations to raise over US\$100 billion in annual investments by 2020, through market-based initiatives, partnerships and leveraging development banks **(49)**

10 Encouraging philanthropic engagement that is transparent and accountable

- Encourages growth of philanthropy and efforts to increase cooperation between philanthropic actors, Governments and other development stakeholder **(42)**
- Calls for increased transparency and accountability in philanthropy **(42)**
- Encourages philanthropic donors to apply due consideration to local circumstances and align with national policies and priorities **(42)**
- Encourages philanthropic donors to consider managing their endowments through impact investing **(42)**

Action Area II.C. – International development cooperation

Section II.C. of the Addis Agenda sets out principles and commitments to policy actions on mobilizing international public financing and using it effectively for sustainable development. This chapter of the IATF report will assess the state of global commitments on ODA and climate finance, resource mobilization from different sources of international public finance, and the allocation and effectiveness of resources in an integrated manner, from both recipient and donor perspectives. The chapter will also assess the catalytic role of international public finance, including through partnerships and capacity building.

1. Introduction

2. Official development assistance

- Reaffirms existing ODA commitments (0.7 per cent of GNI to developing countries and 0.15-0.20 per cent of GNI to LDCs) **(51, Mol 17.2)**
- Commits to reverse decline in ODA to the LDCs **(52)**; Encourages ODA of 0.2 per cent of GNI to LDCs **(51)**; is encouraged by countries that allocate at least 50 per cent of ODA to LDCs **(51)**
- Commits to open, inclusive and transparent discussions on the modernization of ODA measurement **(55)**

3. South-South and triangular cooperation

- Encourages developing countries to voluntarily step up their efforts to strengthen South-South cooperation **(57)**
- Commits to strengthen triangular cooperation **(57)**

4. Multilateral development banks

- Invites multilateral development banks to provide concessional and non-concessional stable long-term finance **(70)**
- Encourages MDBs to make optimal use of their resources and balance sheets, consistent with maintaining their financial integrity; **(70)** encourages MDBs to make use of all risk management tools, including through diversification **(44)**
- Encourages MDBs to update and develop policies in support of 2030 agenda and SDGs **(70)**
- Encourages multilateral development finance institutions to establish a process to examine their own role, scale and functioning to enable them to adapt and be fully responsive to the sustainable development agenda **(70)**
- Welcomes efforts by new development banks to develop safeguard systems in open consultation with stakeholders on the basis of established international standards, and encourages all development banks to establish or maintain social and environmental safeguard systems that are transparent, effective, efficient and time-sensitive **(75)**
- Encourages multilateral development banks to further develop instruments to channel the resources of long-term investors towards sustainable development, including through long-term infrastructure and green bonds **(75)**

5. Other official flows and catalysing additional resources

- Recognizes the important use of international public finance, including ODA, to catalyse additional resource mobilization from other sources, public and private ... [including through] unlocking additional finance through blended or pooled financing and risk mitigation **(54)**
- Commits to open, inclusive and transparent discussions on the ... proposed measure of “total official support for sustainable development;” reaffirms that the measure will not dilute commitments already made **(55)**

- **Total Official Support for Sustainable Development**

6. Country Allocation, levels of concessionality and graduation issues

- Recognizes the importance of focusing the most concessional resources on those with greatest needs and the least ability to mobilize other resources **(52, MoI 10.b)**
- Commits to take into account level of development of recipients, including income level and vulnerability, as well as the nature of the project being funded, (when determining the) level of concessionality **(73)**
- Commits to consider appropriately the specific development needs of MICs; Acknowledges that ODA and other concessional finance remain important for MICs **(71)**
- Encourages shareholders in multilateral development banks to develop graduation policies that are sequenced, phased and gradual **(72)**; Commits to couple graduation process of least developed countries with appropriate measures to not jeopardize development progress **(73)**

7. Development effectiveness

- Commits to make development more effective and predictable by providing developing countries with regular and timely indicative information on planned support in the medium term **(58)**; Encourages the publication of forward-looking plans which increase clarity, predictability and transparency of future development cooperation **(53)**
- Welcomes efforts to improve the quality, impact and effectiveness of development cooperation; welcomes adherence to agreed development cooperation effectiveness principle **(58)**
- Commits to: align activities with national priorities, including by reducing fragmentation, accelerating the untying of aid, particularly for least developed countries and countries most in need; promote country ownership and results orientation; strengthen country systems; using programme-based approaches where appropriate; reduce transaction costs; increase transparency and mutual accountability **(58)**
- Urges countries to track and report resource allocations for gender equality and women's empowerment **(53)**
- Consider not requesting tax exemptions on goods and services delivered as government-to-government aid, beginning with renouncing repayments of value-added taxes and import levies **(58)**
- Work to strengthen national ownership and leadership over the operational activities for development of the United Nations system in programme countries; United Nations coherence, relevance, effectiveness and efficiency, to improve coordination and results, including through achieving further progress on the "Delivering as one" voluntary approach **(74)**

8. Climate finance, disaster risk and environmental resilience

8.1. Climate finance

- Reaffirms existing climate finance commitments (\$100 billion annually from a wide variety of sources) by 2020 **(60, MoI 13.a)**
- Commits to support the most vulnerable in addressing and adapting to climate change **(65, SDG 1.5, 13.b)**
- Recognizes the need for transparent methodologies for reporting climate finance **(60)**
- Welcomes GCF board decision to aim for a 50:50 balance between mitigation and adaptation over time and floor of 50 per cent of adaptation activities for LDCs, SIDS and African countries **(61)**

8.2. Disaster risk and environmental resilience

- Encourage consideration of climate and disaster resilience in development financing to ensure the sustainability of development results **(62)**

9. Humanitarian finance and peacebuilding

- Recognizes the need for coherence of developmental and humanitarian finance **(66)**

- Commits to promoting innovative financing mechanisms to allow countries to better prevent and manage risks and develop mitigation plans **(66)**
- Steps up efforts to assist countries in accessing financing for peacebuilding and development in the post-conflict context and recognizes role of Peacebuilding Fund **(67)**

10. Innovative development finance

- Invites more countries to join in implementing innovative mechanisms **(69)**
- Encourages consideration of replicating existing mechanisms and exploring additional mechanisms **(69)**

11. Additional Partnerships

11.1. Health

- Encourages better alignment between multi-stakeholder partnerships in health and to improve contributions to strengthening health systems **(77)**
- Commits to enhanced international coordination and enabling environments to strengthen national health systems **(77)**
- Commits to substantially increase health financing and the recruitment, development, training and retention of the health workforce in developing countries, especially LDCs and SIDS **(77, Mol 3.c)**
- Commits to strengthening implementation of the WHO Framework Convention on Tobacco Control **(77, Mol 3.a)**

11.2. Education

- Commits to scale up investments and international cooperation to allow all children to complete free, equitable, inclusive and quality early childhood, primary and secondary **(78)**
- Commits to scale up and strengthen (of partnership initiatives in education), such as the Global Partnership for Education **(77)**
- Commits to upgrading education facilities, acknowledging the importance of providing safe, non-violent, inclusive and effective learning environments for all; **(Mol 4.a)** Commits to increasing the percentage of qualified teachers in developing countries **(78, Mol 4.c)**

12. International cooperation and capacity building

- Calls for capacity building of local and national actors in the areas of managing and financing disaster risk **(62)**
- Calls for capacity building for LDCs, LLDCs and SIDS responding to various kinds of shocks including financial crisis, natural disasters, and public health emergencies **(68)**
- Supports building capacity in accessing available funds of the Global Environment Facility **(76)**
- Commits to strengthen country capacity for early warning, risk reduction and management of national and global health risks; in particular in LDCs, LLDCs and SIDS, and in conflict-affected and post-conflict States **(77, Mol 3.d)**
- Commits to strengthen international cooperation to support efforts to build capacity [in tax administration] in developing countries, including through enhanced ODA **(22)**

Action Area II.D. – International trade as an engine for development

The principles, policies and commitments in Section II.D of the Addis Agenda can be clustered broadly in three categories: the multilateral trade system, trade facilitation and policy coherence. Within these three clusters, measures can be broken down by international, regional and national levels, as well as those under or outside the WTO regime. Additional topics covered are subsidies, access to affordable medicines, gender and illegal trade.

1. Introduction

2. Strengthening the multilateral trading system

2.1 Special and differential treatment/least developed countries

- Commits WTO members to implement the provisions of special and differential treatment for developing countries, in particular LDCs **(84, Mol 10.a)**
- Welcomes the establishment of the monitoring mechanism to analyse and review all aspects of the implementation of special and differential treatment provisions with a view to strengthening them and making them more precise, effective and operational, as well as facilitating integration of developing and least-developed WTO members into the multilateral trading system **(84)**
- Calls on WTO members to realize timely implementation of duty-free and quota-free market access on a lasting basis for all products originating from all LDCs **(85, Mol 17.12)**
- Calls on WTO members to facilitate market access for products of LDCs, including by developing simple and transparent rules of origin applicable to imports from LDCs **(85, SDG 17.12)**

2.2 Agriculture and fisheries

- Calls on WTO members to correct and prevent trade restrictions and distortions in world agricultural markets, including through the parallel elimination of all forms of agricultural export subsidies and disciplines on all export measures with equivalent effect **(83, Mol 2.b)**
- Calls on WTO members to strengthen disciplines on subsidies in the fisheries sector, including through the prohibition of certain forms of subsidies that contribute to overcapacity and overfishing in accordance with mandate of the Doha Development Agenda and the Hong Kong Ministerial Declaration **(83, SDG 14.6)**

2.3 Access to affordable medicines

- Reaffirms the right of WTO members to take advantage of the flexibilities in the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS); reaffirms that the TRIPS Agreement does not and should not prevent members from taking measures to protect public health **(86, Mol 3.b)**
- Urges WTO members to accept the amendment of the TRIPS Agreement allowing improved access to affordable medicines for developing countries by the deadline of the end of 2015 **(86, Mol 3.b)**

2.4 Progress on implementation of the Bali and Nairobi outcomes

- Calls on WTO members to fully and expeditiously implement all the decisions of the Bali Package **(80)**
- Calls on WTO members to notify commercially meaningful preferences for LDC services and service suppliers in accordance with the 2011 and 2013 Bali decision **(80)**

2.5 Trade negotiations, WTO accessions, trade policy reviews and trade monitoring reports

- Commits to promptly conclude the negotiations on the Doha Development Agenda and reiterates development concerns as integral to the Agenda **(83, Mol 17.10)**

- Calls on WTO Members to accelerate accession of developing countries in negotiations for WTO membership **(83)**
- Commits to combat protectionism in all its forms **(83)**

3. Facilitating international trade

3.1 Promoting world trade growth that is consistent with the SDGs

- Endeavours to increase world trade in a manner consistent with the SDGs, including exports from developing countries, in particular LDCs, with a view towards doubling their share of global exports by 2020 **(82, Mol 17.11)**
- Commits to integrate sustainable development into trade policy at all levels **(82)**
- Commits to support integration of small, vulnerable economies in regional and world markets **(82)**
- Recognizes the need for value addition by developing countries and for further integration of MSMEs into value chains **(88)**

3.2 Trade Finance

- Commits to explore use of market-oriented incentives to expand WTO-compatible trade finance and the availability of trade credit, guarantees, insurance, factoring, letters of credit and innovative financial instruments, including for MSMEs in developing countries **(81)**
- Calls on development banks to provide and increase market-oriented trade finance and to examine ways to address market failures associated with trade finance **(81)**

3.3 Aid for trade

- Commits to focus Aid for Trade on developing countries, in particular LDCs, including through the Enhanced Integrated Framework for Trade-Related Technical Assistance to LDCs **(90, Mol 8.a)**
- Commits to allocate an increasing proportion of Aid for Trade to LDCs, provided according to development cooperation effectiveness principles; and welcomes additional cooperation among developing countries to this end **(90, Mol 8.a)**

3.4 Trade facilitation

- Calls on WTO members to expeditiously ratify the Agreement on Trade Facilitation **(80)**

4. Promoting policy coherence in trade

4.1 Development at the local level: the domestic enabling environment for trade

- Commits to strengthen domestic enabling environments and implement policies conducive to realizing the potential of trade for inclusive growth and sustainable development **(88)**

4.2 Coherence among bilateral and regional trade and investment agreements

- Commits to strengthen regional cooperation and regional trade agreements **(87)**
- Commits to strengthen coherence and consistency among bilateral and regional trade and investment agreements, and ensure that they are compatible with WTO rules **(87)**
- Urges the international community to increase support to projects and cooperation frameworks that foster regional and subregional integration, with special attention to Africa, and that enhance the participation and integration of small-scale industrial and other enterprises, particularly from developing countries, into global value chains and markets **(87)**
- Encourages MDBs in collaboration with other stakeholders to address gaps in trade, transport and transit-related regional infrastructure, including completing missing links connecting LLDCs, LDCs and SIDS within regional networks **(87)**

4.3 Trade and investment agreements

- Endeavours to craft trade and investment agreements with appropriate safeguards so as not to constrain domestic policies and regulation in the public interest **(91)**
- Commits to implement such agreements in a transparent manner **(91)**
- Commits to support capacity building including through bilateral and multilateral channels, in particular to least developed countries, in order to benefit from opportunities in international trade and investment agreements **(91)**
- Requests UNCTAD to continue its existing programme of meetings and consultations with Member States on investment agreements **(91)**

4.4 Gender/Women as producers and traders

- Affirms that trade can help promote productive employment and decent work, women's empowerment and food security, a reduction in inequality, and can contribute to achieving the SDGs under the condition that appropriate supporting policies, infrastructure and an educated work force are in place **(79)**
- Recognizes women's critical role as producers and traders, and commits to address their specific challenges in order to facilitate women's equal and active participation in domestic, regional and international trade **(90)**

4.5 Strengthen the important role of the United Nations Conference on Trade and Development

- Commits to strengthen the role of the important role of UNCTAD as the focal point within the United Nations system for the integrated treatment of trade and development and interrelated issues in the areas of finance, technology, investment and sustainable development **(88)**

4.6 United Nations Commission on International Trade Law

- Endorses the efforts and initiatives of the United Nations Commission on International Trade Law as the core legal body within the United Nations system in the field of international trade law **(89)**

4.7 Illegal wildlife trade/fishing/logging/mining

- Resolves to enhance global support for efforts to combat poaching and trafficking of protected species, trafficking in hazardous waste, and trafficking in minerals, including by strengthening both national regulation and international cooperation, and increasing the capacity of local communities to pursue sustainable livelihood opportunities **(92, MoI 15.c)**
- Commits to enhance capacity for monitoring, control and surveillance of fishing vessels to effectively prevent, deter and eliminate illegal, unreported and unregulated fishing **(92)**

Action Area II.E. – Debt and debt sustainability

Section II.E of the Addis Agenda re-emphasizes the agreements reached in Monterrey for debt management and prevention, including ensuring prudent borrowing and lending, addressing debt overhangs, and ensuring that the architecture and policies for debt crisis prevention and resolution are in place to ensure debt sustainability. This chapter will map the debt situation in countries, including emerging risks and vulnerabilities that threaten debt sustainability, and report on the progress on the commitments and action items on debt crisis prevention and debt crisis resolution.

1. Introduction

2. Debt crisis prevention

2.1. Maintaining debt sustainability and improving debt sustainability assessments

- Commit to support the maintenance of debt sustainability in those countries that have received debt relief and achieved sustainable debt levels **(94)**
- Invite the IMF and World Bank to strengthen the analytical tools for assessing debt sustainability in an open and inclusive process with the United Nations and other stakeholders **(95)**

2.2. Improving public debt management

- Welcome efforts to strengthen analytical tools for ... prudent public debt management **(95)**
- Encourage international institutions to continue to provide assistance to debtor countries to enhance debt management capacity, manage risks, and analyse trade-offs between different sources of financing, as well as to help to cushion against external shocks and ensure steady and stable access to public financing **(95)**

2.3. Towards responsible sovereign borrowing and lending

- Reiterate that debtors and creditors must work together to prevent unsustainable debt situations **(97)**
- Commit to work towards a global consensus on guidelines for debtor and creditor responsibilities in borrowing by and lending to sovereigns, building on existing initiatives **(97)**

2.4. Innovative instruments for managing debt burdens

- Encourages the study of new financial instruments for developing countries ...noting experiences of debt-to-health and debt-to-nature swaps **(102)**

2.5. Improving debt data and reporting

- Encourages Governments to improve transparency in debt management, and strengthen information-sharing to ensure that debt sustainability assessments are based on comprehensive, objective and reliable data **(97)**
- Invites relevant institutions to consider the creation of a central data registry including information on debt restructurings **(96)**

3. Debt crisis resolution

3.1. Actions by official creditors

- Recognize the need to assist developing countries in attaining long-term debt sustainability through coordinated policies aimed at fostering debt financing, debt relief, debt restructuring and sound debt management **(94, MoI 17.4)**

- Commit to support the remaining HIPC-eligible countries that are working to complete the HIPC process **(94)**; Commit to explore, on a case-by-case basis, initiatives to support non-HIPC countries with sound economic policies to enable them to address the issue of debt sustainability **(94)**
- Aims to restore public debt sustainability, while preserving access to financing resources under favourable conditions **(98)**
- Encourages consideration of further debt relief steps [for severe natural disasters and social or economic shocks that undermine a country's debt sustainability], where appropriate, and/or other measures for countries affected in this regard, as feasible **(102)**

3.2. Additional mechanisms, including involving private creditors

- Affirms the importance of debt restructurings being timely, orderly, effective, fair and negotiated in good faith. **(98)**
- Welcomes reforms to pari passu and collective action clauses proposed by International Capital Market Association **(100)**
- Encourages countries, particularly those issuing bonds under foreign law, to take further actions to include those clauses in all their bond issuance **(100)**
- Recognizes "Paris Forum" initiative by Paris Club **(99)**
- Takes note of ongoing discussion of debt issues at the IMF and the United Nations **(99)**

3.3. Legislative efforts to address non-cooperative minority creditors

- Encourages all Governments to take (legislative) action (on non-cooperative minority bond holders), as appropriate **(100)**
- Welcomes provision of financial support for legal assistance to LDCs and commit to boost international support for advisory legal services **(100)**
- Commits to explore enhanced international monitoring of litigation by creditors after debt restructuring **(100)**

3.4. Strengthening national legislation to address domestic sovereign debt

- Notes the possibility of countries voluntarily strengthening domestic legislation to reflect guiding principles for effective, timely, orderly and fair resolution of sovereign debt crises **(101)**

Action Area II.F – Addressing systemic issues

Section II.F of the Addis Agenda reiterates Monterrey's emphasis on global economic governance and the importance of coherence and consistency of the international financial, monetary and trading systems in support of development, but also brings environmental and social issues into the coherence agenda. The IATF chapter follows up on commitments and action items in these areas, in particular on increasing multilateral policy coherence and promoting global economic governance, improving global stability without compromising broader efforts towards sustainable development, financial crisis prevention, addressing regulatory gaps and misaligned incentives in the international financial system, migration and transnational crime.

1. Introduction

2. Strengthening global governance

- Commits to take measures to improve and enhance global economic governance to arrive at a stronger, more coherent and more inclusive and representative international architecture for sustainable development **(103)**
- Recommits to broaden and strengthen the voice and participation of developing countries in international economic decision-making and norm-setting and global economic governance **(106, SDG 16.8)**
- Commits to further governance reform in both the IMF and the World Bank to adapt to changes in the global economy **(106, SDG 10.6)**
- Invites the Basel Committee on Banking Supervision and other main international regulatory standard setting bodies to continue efforts to increase the voice of developing countries in norm setting processes **(106, SDG 10.6)**
- Commit to open and transparent, gender-balanced and merit-based selection of the heads of main international financial institutions, and to enhance diversity of staff **(106)**

3. Improving cooperation, coordination and policy coherence

- Commit to strengthen international cooperation and to pursue policy coherence and an enabling environment for sustainable development at all levels and by all actors **(9, 105)** and to take measures to arrive at a stronger and more coherent international architecture for sustainable development **(103, MoI 17.14)**
- Expand the coherence agenda to include economic, social and environmental challenges **(103)** and commit to strengthen the coherence and consistency of multilateral financial, investment, trade, and development policy and environment institutions and platforms **(113)**
- Call upon countries to assess the impact of national policies on sustainable development **(103)**
- Call on IFIs to align their business practices with the 2030 Agenda for Sustainable Development **(107)**
- Stress the importance of ensuring that agreements, rules and standards are consistent with each other and the SDGs **(107)**
- Commit to take better advantage of relevant United Nations forums for promoting universal and holistic coherence and international commitments to sustainable development **(113)**
- Call for increased cooperation between major international institutions **(113)**

4. Enhancing global macroeconomic stability with sustainable development

- Commit to pursue sound macroeconomic policies that contribute to global stability, equitable and sustainable growth and sustainable development, while strengthening our financial systems and economic institutions **(105)**; and to strengthen international coordination and policy coherence to enhance global financial and macroeconomic stability **(105, MoI 17.13)**

- Commit to work to prevent and reduce the risk and impact of financial crises, acknowledging that national policy decisions can have systemic and far-ranging effects well beyond national borders, including on developing countries **(105)**
- Call on international financial institutions to further improve early warning of macroeconomic and financial risks **(107)**
- Recognize the importance of strengthening the permanent international financial safety net **(107)**
- Encourage increased dialogue among regional financial arrangements and strengthened cooperation between IMF and regional financial arrangements **(107)**
- Urge the IMF to continue efforts to provide more comprehensive and flexible financial responses to the needs of developing countries **(107)**
- Call on International financial institutions to support developing countries in developing new instruments for financial risk management and capacity building **(107)**
- Request international financial institutions to provide support to developing countries pursuing sustainable development to assist them in managing any associated pressures on the national balance of payments **(107)**
- Look forward to special drawing rights review **(107)**

5. Shaping financial market regulation for sustainable development

- Work to strengthen regulatory frameworks to increase transparency and accountability of financial institutions **(25, SDG 10.5)**
- Hasten completion of the reform agenda on financial market regulation **(109)**
- Address the risk created by “too-big-to-fail” financial institutions and address cross-border elements in effective resolution of troubled systemically important financial institutions **(109)**
- Sustain or strengthen frameworks for macroprudential regulation and countercyclical buffers **(109)**
- Assess and if necessary reduce the systemic risks associated with shadow banking, markets for derivatives, securities lending, and repurchase agreements **(109)**
Reduce mechanistic reliance on credit rating agency assessments, including in regulations **(110)**; promote increased competition and avoid conflict of interest in the provision of credit ratings **(110)**; support building greater transparency requirements for evaluation standards of credit rating agencies and commit to continue ongoing work on these issues, including in the United Nations **(110)**
- When dealing with risks from large and volatile capital flows, necessary macroeconomic policy adjustment could be supported by macroprudential and, as appropriate, capital flow management measures **(105)**

6. Promoting safe migration

- Commit to cooperate internationally to ensure safe, orderly and regular migration, with full respect for human rights **(111, SDG 10.7)**
- Endeavour to increase cooperation on access to and portability of earned benefits, enhance the recognition of foreign qualifications, education, and skills, lower the costs of recruitment for migrants, and combat unscrupulous recruiters, in accordance with national circumstances and legislation **(111)**
- Endeavour to implement effective social communication strategies on the contribution of migrants to sustainable development in all its dimensions, in particular in countries of destination, in order to combat xenophobia, facilitate social integration, and protect migrants’ human rights through national frameworks **(111)**
- Reaffirm need to promote and protect effectively the human rights and fundamental freedoms of all migrants, especially those of women and children, regardless of their migration status **(111, SDG 8.8)**

7. Combating transnational crime

- Commits to strengthen regional, national, and subnational institutions to prevent all forms of violence, combat terrorism and crime, and end human trafficking and exploitation of persons, in particular women and children, in accordance with international human rights law **(112, SDG 5.2, 8.7, MoI 16.a)**
- Commits to strengthen national institutions to combat money laundering, corruption and the financing of terrorism, which have serious implications for economic development and social cohesion **(112)**
- Commits to enhance international cooperation for capacity building in these areas at all levels, in particular in developing countries **(112)**
- Commits to ensuring the effective implementation of the United Nations Convention on Transnational Organized Crime **(112)**

Action Area II.G - Science, technology, innovation and capacity-building

Section II.G of the Addis Agenda covers two broad topics: capacity building in all sectors and science, technology and innovation. Following the action items commitments contained in the section, this chapter will report on progress in science, technology, and innovation (STI) in specific groups of countries and for specific SDGs, will address national policies and strategies for STI, the domestic and international enabling environments for STI, the role of financing and partnerships, technology transfer, and efforts by the UN system to promote STI for sustainable development. The chapter will conclude with a section on capacity building.

1. Introduction

2. Promoting information and communication technology, access to technology for all and social innovation

- Commits to promote the development and use of information and communications technology, particularly in LDCs, LLDCs and SIDs, including rapid universal and affordable access to the Internet **(114, Mols 5.b, 9.c, 17.6, 17.8)**
- Commits to further facilitate accessible technology for persons with disabilities and to promote access to technology and science for women, youth and children **(114, 5.b)**
- Commits to promote social innovation to support social well-being and sustainable livelihoods **(116)**

3. Developing national policy frameworks for science, technology and innovation

- Commit to adopt science, technology and innovation strategies as integral elements of our national sustainable development strategies **(119)**
- Commit to craft policies that incentivize the creation of new technologies, that incentivize research and that support innovation in developing countries **(116)**

4. Creating a more enabling environment for science, technology and innovation

- Commits to enhance technical, vocational and tertiary education and training, ensuring equal access for women and girls and encouraging their participation therein, including through international cooperation **(119, SDGs 4.3, 4.4, 4.5)**
- Commits to scale up investment in science, technology, engineering and mathematics education **(119)**
- Commits to enhance cooperation to strengthen tertiary education systems and aim to increase access to online education in areas related to sustainable development **(119)**
- Commits to increase the number of scholarships available to students in developing countries to enrol in higher education **(119, Mol 4.b.)**
- Recognizes the importance of adequate, balanced and effective protection of intellectual property rights in both developed and developing countries in line with nationally defined priorities and in full respect of World Trade Organization rules **(116)**

5. Institutions and mechanisms to strengthen science, technology and innovation

5.1. National level

- Encourages knowledge-sharing and the promotion of cooperation and partnerships between stakeholders, including between Governments, firms, academia and civil society, including linkages between multinational companies and the domestic private sector to facilitate technology development and transfer, on mutually agreed terms, of knowledge and skills **(117, Mol 17.17)**
- Commits to consider setting up innovation funds where appropriate, on an open, competitive basis to support innovative enterprises, particularly during research, development and demonstration phases **(118)**
- Commits to promote entrepreneurship, including supporting business incubators **(117)**

- Recognizes that traditional knowledge, innovations and practices of indigenous peoples and local communities can support social well-being and sustainable livelihoods, and reaffirms that indigenous peoples have the right to maintain, control, protect and develop their cultural heritage, traditional knowledge and traditional cultural expressions **(117, SDG 2.5)**
- Commits to consider using public funding to enable critical projects to remain in the public domain and strive for open access to research for publicly funded projects, as appropriate **(118)**

5.2. International level

- Enhance international cooperation in these areas, including ODA, in particular to LDCs, LLDCs, SIDS and countries in Africa and encourage other forms of international cooperation in these areas, including South-South cooperation **(120) (Mol 17.6)**
- Endeavours to step up international cooperation and collaboration in science, research, technology and innovation, including through public-private and multi stakeholder partnerships, and on the basis of common interest and mutual benefit, focusing on the needs of developing countries and the achievement of the sustainable development goals (e.g. research and development of vaccines and medicines, including relevant initiatives like GAVI; preventive measures and treatments for the communicable and non-communicable diseases; earth observation; rural infrastructure; agricultural research and extension services and technology development; increase scientific knowledge, develop research capacities and transfer marine technology) **(120, 121, Mol 2.a, 3.b, 14.a)**
- Endeavours to support developing countries to strengthen their scientific, technological and innovative capacity to move towards more sustainable patterns of consumption and production through science and technology **(120, Mol 12.a.)**

6. Technology transfer

- Commits to transfer marine technology in order to improve ocean health and to enhance the contribution of marine biodiversity **(121, Mol 14.a)**
- Encourages the development, dissemination and diffusion as well as transfer of environmentally sound technologies to developing countries on favourable terms, including on concessional and preferential terms, as mutually agreed **(120, Mol 17.7)**

7. Actions within the United Nations or by the United Nations system Enhanced coherence of STI support measures in the UN system

- Commits to strengthen coherence and synergies among science and technology initiatives within the UN system **(122, 17.6)**
- Established a technology facilitation mechanism to support the SDGs **(123, Mol 17.6)**
- Commits to operationalize the Technology Bank for Least Developed Countries by 2017 **(124, 17.8)**

7.1. Implementation of the Technology Facilitation Mechanism

7.2. Enhanced coherence of science, technology and innovation support measures in the United Nations system

7.3. Establishment of the Technology Bank

8. Capacity building

- Call for enhanced international support and establishment of multi stakeholder partnerships for implementing effective and targeted capacity-building in developing countries **(115, SDG 17.9)**
- Commit to reinforce national efforts in capacity-building in developing countries **(115)**

III. Data, monitoring and follow-up

The final section III of the Addis Agenda considers how the international community should monitor implementation of the agreed actions. It emphasizes the importance of high quality disaggregated data for policy making and monitoring progress of implementation of the Addis Agenda and the 2030 Agenda and prioritizes capacity building in this area. This chapter will follow up on commitments and action items on data quality, disaggregation and availability, and on capacity building efforts in this context.

1. Introduction

2. Data availability, adequacy and standardisation

2.1 Availability (including disaggregation) and adequacy

- Seeks to increase and use high-quality, timely and reliable data disaggregated by sex, age, geography, income, race, ethnicity, migratory status, disability, and other characteristics relevant in national contexts **(126, MoI 17.18)**
- Requests the Statistical Commission, working with relevant international statistical services and forums, to regularly assess and report on the adequacy of international statistics related to implementing the sustainable development agenda **(126)**
- Calls on relevant public and private actors to put forward proposals to achieve a significant increase in global data literacy, accessibility and use, in support of the 2030 Agenda **(128)**

2.2 Standardization of data

- Commits to support efforts to make data standards interoperable **(128)**

2.3 Data on specific issues, in particular resource mobilization

- Calls on relevant institutions to strengthen and standardize data on domestic and international resource mobilization and spending, as well as data on other means of implementation **(126)**
- Requests the Statistical Commission, working with relevant international statistical services and forums, to facilitate enhanced tracking of data on all cross-border financing and other economically relevant financial flows that brings together existing databases **(126)**

3. Development of specific measures and tools

- Calls on the UN system, in consultation with the international financial institutions, to develop transparent measurements of progress on sustainable development that go beyond per capita income; these should recognize poverty in all of its forms and dimensions, and the social, economic and environmental dimensions of domestic output and structural gaps at all levels **(129, MoI 17.19)**
- Commits to seek to develop and implement tools to mainstream sustainable development, as well as to monitor sustainable development impacts for different economic activities, including for sustainable tourism **(129, MoI 12.b)**

4. Transparency and needs assessment

- Recognizes that greater transparency is essential and can be provided by publishing timely, comprehensive and forward-looking information on development activities in a common, open, electronic format; takes note of the International Aid Transparency Initiative **(127)**
- Stresses the importance of preparing country needs assessments for the different priority areas to allow for greater transparency and efficiency by linking needs and support, in particular in developing countries **(127)**

5. Efforts to strengthen statistical capacities

- Commits to enhance capacity building support to developing countries, including LDCs, LLDCs and SIDS [to increase and use high-quality, timely and reliable disaggregated data] **(126, MoI 17.18, MoI 17.19)**
- Commits to provide international cooperation, including through financial and technical support, to further strengthen the capacity of national statistical authorities and bureaux **(126)**