

Overview April 2023

## At a time of unprecedented challenges for humanity and the planet, a New Global Financing Pact to reevaluate priorities and instruments

**Climate change** 

\$300+ bn.

Economic loss caused by **natural disasters** in 2022

**Biodiversity** 

~70%

Wildlife decline between 1970 and 2018

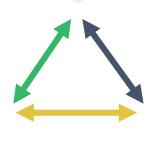
People

~11%

Additional nb. of people living in extreme poverty in part due to covid-19<sup>1</sup>

The current global financial architecture is built on the Bretton Woods System; time has come for a New Global Financing pact

Addressing these challenges together can enable synergies because solutions are interdependent

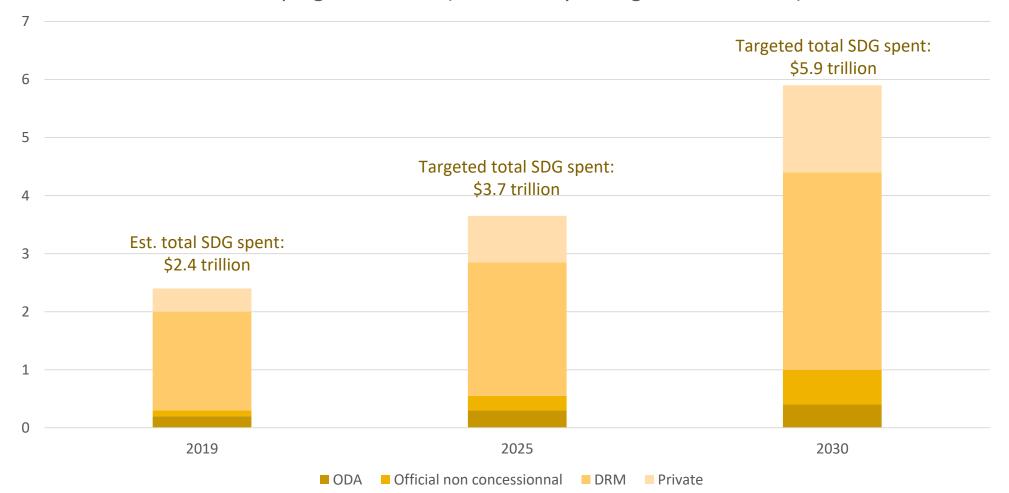


All nations are concerned: this is an agenda for humanity and our planet as a whole

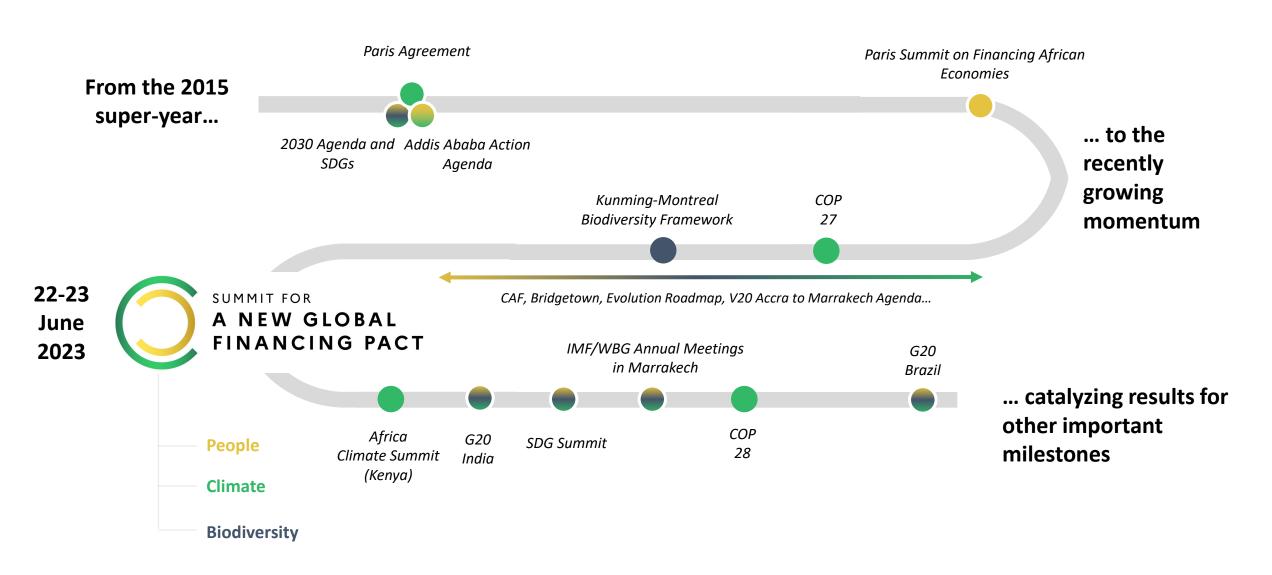
The objective is to address simultaneously climate change, biodiversity and development challenges and help all nations to fulfill the Sustainable Development Goals

# This is a financing challenge, with a need to unlock and align all financial flows, far beyond ODA

Financing needs for development and global public goods in emerging and developing economies (Bhattacharya-Songwe-Stern, 2022)



# The June Summit is a catalyzer to provide concrete results and raise ambition, building on past achievements and current dynamics



## The June Summit will deliver a bold new vision, pioneer solutions and catalyze ambitious agenda for upcoming international events



Meet our targets to rebuild trust in collective action



Drive a new vision / common agenda



Deliver a first set of pioneer solutions<sup>1</sup>



Sustain the momentum

2009 Copenhagen \$100 bn./year of climate finance for developing countries

2020 Riyadh Effective debt restructuring based on the common

framework (G20)

2021 Paris, Rome

2022

\$100 BN SDR reallocation

(G20)

+ 14% ODA in 2022 (vs. 2021)

reaching \$ 200+ BN

New Global Financing Pact
Heads of States Vision Statement

For example, would cover items such as:

- Financing architecture as an "ecosystem"
- Country platforms / going beyond ODA
- New vulnerabilities
- Addressing structural market failures
- More concessional finance
- More private sector contributions
- Innovative types of resources
- Reorienting all financial flows

• ...

#### New commitments and concrete results

We would aim at promoting initiatives such as:

- New schemes involving SDRs
- Blended finance instruments
- New climate/pandemic debt clauses
- A more robust framework for debt swaps
- Debt sustainability analysis methodology
- · Reviewing definitions of vulnerability
- Improving projects preparation on the ground
- Call for new ambitious taxation schemes
- Stronger carbon markets infrastructures

#### Build on June Summit to scale up impact over time

Sept. Nairobi

Africa Climate Summit

Sept. NYC

SDG Summit

Sept. N. Delhi

**G20 Leaders Summit** 

Oct. Marrakech

**BW Annual Meetings** 

Dec. Dubai

COP 28

And further international meetings in 2024 and beyond...

WORK IN PROGRESS

Please treat all elements as indicative – our deliverables are being built with our partners (Gov, IOs, IFIs, NGOs, private sector...)



4 pillars / working groups

Steering committe

- . Increasing fiscal space and mobilizing liquidity
- Scaling up investment in green **infrastructures**
- 3. Unlocking finance for the **private sector** in LICs
- Designing innovative financial solutions for climate vulnerability