

United Nations Nations Unies

Economic and Social Commission for Asia and the Pacific

High-Level Regional Consultation on Financing for Development in Asia and the Pacific *In preparation for the Fourth International Conference on Financing for Development*

17-18 December 2024

Conference Room 4 (CR-4), United Nations Conference Centre, Bangkok, Thailand and on-line

Concept Note and Annotated Agenda

(version dated 24 September 2024)

A. Background

The Fourth International High-Level Conference on Financing for Development will be held in Seville, Spain in June 2025. It will discuss progress made in the implementation of the Monterrey Consensus of the International Conference on Financing for Development, the Doha Declaration on Financing for Development and the Addis Ababa Action Agenda, and identify obstacles and constraints encountered in the achievement of the goals and objectives agreed therein. The 2025 conference will also identify actions and initiatives to overcome these constraints, and to address new and emerging issues, including in the context of the urgent need to accelerate the implementation of the 2030 Agenda and the achievement of the Sustainable Development Goals, and to support reform of the international financial architecture.

In the preparations for the Fourth Conference, regional commissions have been invited, through General Assembly Resolution 78/271, to hold regional consultations with its member states and relevant stakeholders. The objective of this regional consultation is to discuss four areas of Financing for Development from the perspective of Asia and the Pacific, namely: a) strengthening domestic public resources; b) accelerating the mobilisation of domestic and international private finance and investment towards the SDGs; c) tackling public debt sustainability concerns; and d) addressing new and emerging issues.

The views and ideas shared at this Regional Consultation will be summarized in the form of a *Chair Summary* and provide perspectives from Asia and the Pacific to the preparatory process for the global Fourth International Conference on Financing for Development.

B. Annotated Agenda

| DAY 1 – 17 Dec 2024 | |
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| 9.00-9.30 | Welcome Remarks and Keynote Speeches <ul style="list-style-type: none">• Armida Salsiah Alisjahbana, Under-Secretary General, Executive Secretary of ESCAP• Rebeca Grynspan, Secretary-General of the United Nations Trade and Development• Li Junhua, Under-Secretary General for Economic and Social Affairs, Department of Economic and Social Affairs (DESA)• Chair, Finance Minister of an Asia-Pacific country Election of Officers of the Bureau |
| 9:30 -10:20 | The Future of Financing for Development in Asia-Pacific: A High-Level Scene-Setter |

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| | <p>The latest UN analysis estimates that the annual Sustainable Development Goal (SDG) financing gaps range between \$2.5 trillion and \$4 trillion for developing countries.¹ Asia and the Pacific is the largest region by population and is home to several dynamic and large economies. In 2023, it contributed an estimated two-thirds to global economic growth. Importantly, sufficient financial capital is available in the region to meet the SDG financing gap. However, policies, regulations, markets and sectors are not yet fully aligned to accelerate financial flows in support of SDGs. As the world convenes in Spain in 2025 to review and discuss the progress and the gaps in the implementation of the Addis Ababa Action Agenda, as well as to identify actions and ideas to accelerate financing for sustainable development; this high-level panel will present the views of Asia and the Pacific, focusing on the following issues:</p> <ul style="list-style-type: none"> • <i>Why has progress in financing for development in Asia and the Pacific been insufficient to-date to meet the sustainable development goals?</i> • <i>What lessons and successful examples can Asia-Pacific offer to the international community with regards to financing sustainable development?</i> • <i>How can the international financial architecture be strengthened to support the region’s efforts in accelerating financing for development?</i> • <i>How can developing countries in the region transform to mobilise more public and private financing for development at the scale needed?</i> <p>Moderator</p> <ul style="list-style-type: none"> • Ms. Lin Yang, Deputy Executive Secretary, United Nations Economic Commission for Asia and the Pacific. <p>Distinguished Speakers:</p> <ul style="list-style-type: none"> • Ministers of Finance • Governors of Central Banks • Vice President, Asian Development Bank (TBC) • Vice President, Asian Infrastructure and Investment Bank (TBC) |
| 10:20-10:30 | Group Photo |
| 10:30-12:00 | <p>Session 1: Strengthening domestic public resources</p> <p>Two decades of robust progress in tax revenue mobilization has removed the ‘low-tax’ tag off the Asia-Pacific region. Yet, challenges remain. One in three countries of the region still have a tax-to-GDP ratio below 15 per cent and countries increasingly find themselves trapped between growing SDG spending needs and a narrower fiscal space. Going forward, greater domestic revenue mobilization efforts alone, though necessary, may not be sufficient for the task. On the one hand, tax potentials in several countries are constrained by their socioeconomic fundamentals and governance quality. On the other, taxation is also increasingly internationalized, where cross-country cooperation has become indispensable for effective taxation.</p> <p>This session will deliberate on the following questions:</p> |

¹ United Nations (2024). Financing for Sustainable Development Report 2024. DESA.

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| | <ul style="list-style-type: none"> • <i>How can countries develop and implement an effective public revenue mobilization strategy given their broader socioeconomic and governance contexts?</i> • <i>What have been the useful lessons learned in recent years on strengthening tax administration, including on the adoption of digitalized tax systems?</i> • <i>Where do opportunities exist for further public revenue enhancement in developing Asia and the Pacific, leveraging both tax and non-tax handles?</i> • <i>What are the perspectives and ideas of Asia and the Pacific in the evolving global tax cooperation and reform? And how can Asia-Pacific better articulate their voice and safeguard its interests in this process?</i> <p>Moderator</p> <p>Introduction by ESCAP Secretariat (5 minutes)</p> <p>Fireside Chat (15 minutes)</p> <p>Statements by member States and other stakeholders (70 minutes, with each speaker having 3 minutes maximum)</p> |
| 12.00-13.00 | Lunch Reception |
| 13.00-14.30 | <p>Session 2: Accelerating the mobilisation of domestic and international private finance and investment towards the SDGs</p> <p>The considerable SDG financing gaps faced by developing countries in the region cannot be met by public resources alone. Substantial private finance, both from domestic and international sources, needs to be mobilised towards the SDGs. However, many of the region’s current financial policies and regulations may not be sufficiently aligned to mobilise enough private finance for the SDGs at pace and scale.</p> <p>This session will discuss the following questions:</p> <ul style="list-style-type: none"> • <i>How can banking and capital market regulations in the region be strengthened to mobilise private finance for sustainable development?</i> • <i>How can private investors be further encouraged towards investing in SDGs in developing countries in the region, within integrated national financing frameworks for example?</i> • <i>How can enhanced regional cooperation strengthen the mobilisation of private finance towards the SDGs in the region?</i> • <i>How can more sources of concessional finance be mobilised, and catalyse further private finance for the SDGs in the region?</i> <p>Moderator</p> <p>Introduction by ESCAP Secretariat</p> <p>Fireside Chat (15 minutes)</p> <p>Statements by member States and other stakeholders (70 minutes, with each speaker having 3 minutes maximum).</p> |

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| 14.30-14.50 | Coffee Break |
| 14.50-16.20 | <p>Session 3: Addressing public debt sustainability concerns and its implications for development financing</p> <p>Since the Asian Financial Crisis of 1997, strong economic fundamentals, large fiscal and foreign exchange buffers and timely countercyclical interventions have successfully shielded most Asia-Pacific countries from public debt distress. But a decade-long low-interest environment and the multifaceted implications of the COVID-19 pandemic have pushed up public debt levels considerably in the region. Debt restructuring, or relief measures are needed in several cases. The current global debate on the subject correctly points out direct linkages between debt distress faced by developing countries and the significant development deficits and weak progress towards climate action. However, a lack of effective differentiation of the underlying causes of debt distress, be it economic/fiscal mismanagement, temporary liquidity bottlenecks, or development/climate spending deficits, in the prescription of solutions may lead to implementation challenges and new distortions.</p> <p>This session will deliberate on the following questions:</p> <ul style="list-style-type: none"> • <i>What are the causes of debt distress in developing countries? And, for each of them, what should be an appropriate response?</i> • <i>Can the current debt sustainability assessments and resolution mechanisms effectively address debt challenges faced by developing countries? If not, what are the alternatives?</i> • <i>What can developing countries do domestically to better safeguard debt sustainability without sacrificing development ambitions?</i> • <i>What can the international community do to better protect developing countries from debt distress ex ante and to better resolve debt distress ex post?</i> <p>Moderator:</p> <p>Introduction by ESCAP Secretariat</p> <p>Fireside Chat (15 minutes)</p> <p>Statements by member States and other stakeholders (70 minutes, with each speaker having 3 minutes maximum).</p> |
| 17.00 – 18.30 | Dinner Reception |
| DAY 2 – 18 Dec 2024 | |
| | <p>Special Session: A Multistakeholder Dialogue on Financing for Development: Public, private, philanthropic and civil society perspectives from Asia and the Pacific</p> <p>Effectively addressing challenges to accelerate financing for development requires a new partnership between public, private, philanthropic and civil society stakeholders. In this vein, this multistakeholder dialogue will gather 8-10 senior professionals from the public, private, philanthropic and civil society sectors across Asia-Pacific to discuss their perspectives on how the region can revitalize</p> |

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| 9.30-11.00 | <p>and innovate existing and new partnerships that together overcome the challenges and seize the opportunities that lie ahead. Among other issues, it will discuss how meaningful partnerships in financing for development can be built and sustained among public, private, philanthropic and civil society organizations, and how such multistakeholder perspectives can become part of the next global financing for development framework.</p> <p>Introduction by ESCAP Secretariat</p> <p>Moderated discussion among stakeholder representatives</p> |
| 11:00 – 12:30 | <p>Session 4: New and emerging issues in financing for development</p> <p>Since the Addis Ababa Action Agenda in 2015, financing for development in the region has both progressed and stalled in different areas. Looking ahead, amidst complexity and uncertainty in national, regional and global economic outlooks and rising geo-political tensions, what are new and emerging issues that the region should take into account that have not yet been covered in the previous financing for development frameworks, such as the Addis Ababa Action Agenda?</p> <p>This session could discuss the following issues:</p> <ul style="list-style-type: none"> • <i>What steps should become part of the next global financing for development framework that strengthens international cooperation on financing for development issues and addresses concerns specific to certain countries, such as Least Developed Countries (LDC), Landlocked Developing Countries (LLDC) and Small-Island Developing States (SIDS)?</i> • <i>What proposals should be considered to strengthen the international and regional financial architecture for financing for development, including ensuring fair representation of Asia-Pacific in global financial policymaking?</i> • <i>What actions could be taken to promote greater coherence, consistency and clarity between financing for the sustainable development goals, financing for national and international climate commitments and financing for national and international biodiversity commitments?</i> • <i>What are the salient new, innovative practices from the Asia-Pacific region that has replicable lessons for other countries and regions, with regards to financing for development?</i> • <i>What are the most pertinent issues highlighted in the ‘Elements Paper’, which served as the background document at the second meeting of the Preparatory Committee in early December 2024, for the Asia-Pacific region?</i> <p>Moderator:</p> <p>Introduction by ESCAP Secretariat</p> <p>Fireside Chat (15 minutes)</p> <p>Statements by member States and other stakeholders (70 minutes, with each speaker having 3 minutes maximum).</p> |

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| 12.30 -13.00 | Closing Remarks <ul style="list-style-type: none">• Armida Salsiah Alisjahbana, Executive Secretary of ESCAP• Chair of the Regional Consultation |
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C. Event website

The updated concept note, presentation slides and other materials will be available on the <https://www.unescap.org/events/2024/high-level-regional-consultation-financing-development-asia-and-pacific-preparation>.