



FfD4: Catalyzing SDG and Climate Investments

Session 8: Integrating SDG and Climate Finance – Innovations and Insights for Leveraging Finance

2025 Executive Training Course for Policymakers on the 2030 Agenda for Sustainable Development

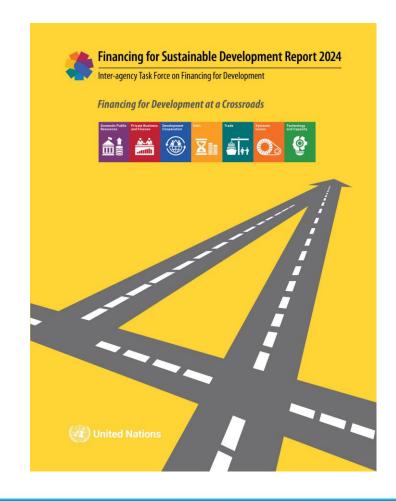
Accelerating Synergies for Integrated SDG and Climate Action Incheon, Republic of Korea, 18 - 21 March 2025





Overview

- The financing challenge today
- How did we get here?
- The opportunity of the Fourth International Conference on Financing for Development (FfD4)
 - SDG and Climate Finance

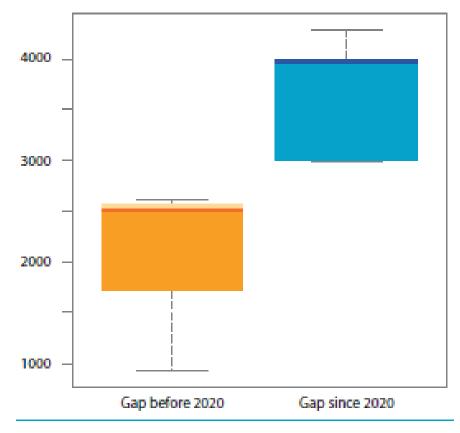




The Financing Challenge

Range of estimates of annual SDG financing gaps in developing countries

(Billions of United States dollars)



Source: Matzner and Steininger 2024.





How did we get here?

Underlying drivers and trends

- Rising systemic risks
- A challenging global economic environment
- Persistent inequalities
- Rapid technological change
- Rising geopolitical tensions

Progress of Addis Ababa Action Areas

- Public finance and investment
- Private investment, trade and technological policies
- Financial sector: access, stability, sustainability
- Aligning domestic and international policy frameworks and governance



The Opportunity of FfD4

United Nations Member States have given FfD4, to be held in Spain from 30 June to 3 July 2025, an ambitious mandate to address financing challenges "in the context of the urgent need to accelerate the implementation of the 2030 Agenda and the achievement of the SDGs and to support reform of the international financial architecture."



FfD4 mandates

- The conference is mandated to:
 - Address new and emerging issues
 - Address the urgent need to fully implement the SDGs
 - Support reform of the international financial architecture
 - Assess the progress made in the implementation of the <u>Monterrey Consensus</u>, the <u>Doha Declaration</u> and the <u>Addis Ababa Action Agenda</u>



FfD4 Draft: SDG Investment Push

- The draft of the FfD4 outcome document highlights numerous actions to address the annual SDG financing gap
- Focus on delivering investment push for sustainable development and the SDGs through public and private finance



FfD4 Draft: IFA Reform

- International financial architecture (IFA) has not been fit for purpose to achieve sustainable development
 - Urgent need to reform IFA to be more efficient, equitable and responsive to challenges facing developing countries
- Focus on building enabling environments and enhanced fiscal and policy space for countries



FfD4 Draft: INFFs

- The draft of the FfD4 outcome document puts country leadership at the center of the renewed global financing framework
- Highlights the role of integrated national financing frameworks (INFFs) as essential for aligning resources and international support with national priorities and the SDGs



2025 Roadmap to Seville

