



INFF Facility 2025 Partner Meeting

DRAFT CONCEPT NOTE





Department of Nations | Department of Economic and Social Affairs







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Key information

Date and time	22 nd – 23 rd January 2025
Host	Government of Spain
Location	Barcelona, Spain
Organizers	UNDP INFF Facility (UNDP, UNDESA, UNICEF, OECD, EU, Italy, Spain, Sweden)

Background

With just 17% of the SDGs on track,¹ the UN Secretary General has emphasized that "the SDGs need a global rescue plan," highlighting reform of the financial architecture as a "game-changer in accelerating SDG progress."

The SDG financing gap is estimated at more than \$4 trillion while the cost of delivering nationally determined contributions to the Paris Agreement is around \$5.8 trillion by 2030.²

The Prime Minister of Spain expressed his support to the UN Secretary-General's vision and that Spain will play an active role as the host of the 4th International Conference on Financing for Development. "We have an historic opportunity to reform the international financial architecture and better respond to the needs of all countries and of our people," said the PM, stressing that "the opportunity is now."³

The 4th International Conference on Financing for Development in Seville in 2025 is an opportunity to secure an ambitious outcome that redoubles efforts at the global, regional and country levels to mobilise and align finance for sustainable development through a revitalised financial architecture, building on the commitments of the Pact for the Future.

At the country level, more than 85 countries are using the integrated national financing framework (INFF) approach that was first set out by UN member states in the 2015 Addis Ababa Action Agenda. INFFs embody three principles that are central to the financing for development agenda and to accelerating progress toward 2030: (i) country-ownership and country-leadership; (ii) mission-orientation, catalyzing reforms for sustainable development; (iii) holistic and integrated approaches, advancing coherent change across public and private finance through inclusive, accountable platforms.

¹ UN, 2024, <u>The Sustainable Development Goals Report 2024</u>.

² UNFCCC Standing Committee on Finance, 2021, <u>First report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement</u>. Figures are based on costed needs identified in 78 NDCs.

³ Spanish Prime Minister Opening Remarks at the 1st Preparatory Committee Meeting, July 2024.

To date, 17 national and subnational governments have operationalized financing strategies and more than 50 countries are implementing finance policy reforms shaped by their INFFs. Recent analysis of the most advanced reforms finds \$16 billion in new finance leveraged for SDG investment in sustainable development and alignment and scope for enhanced SDG impact of more than \$32 billion.⁴

As progress at the country level has advanced, international commitment to support country-led INFFs has grown, building on the Addis Agenda. The UN Secretary-General's SDG Stimulus calls on Governments to align all financing flows with the SDGs through national frameworks such as INFFs.⁵ G20 Leaders endorsed a G20 Framework of voluntary support to INFFs⁶ and INFFs feature in the Programmes of Action for Least Developed Countries⁷ and Small Island Developing States.⁸

While discussions on the FfD4 outcome continue, early indications suggest potential for an ambitious recommitment to country-led INFFs in the Seville outcome document. The <u>FfD4</u> <u>elements paper</u> places INFFs centrally within the FfD agenda, calling for a renewed global financing framework that aligns with national priorities such as through INFFs, and highlights their role in relation to public finance, private finance, development cooperation, innovation and monitoring. This build on the priorities highlighted by members states, ranging from the potential of INFFs to drive investment in social, economic and environmental priorities,⁹ NDCs,¹⁰ adaptation¹¹ and resilience,¹² to strengthen revenue mobilization,¹³ increase public expenditure efficiency¹⁴ and unlock private finance¹⁵ and as a platform for inclusive policymaking,¹⁶ alongside support for all LDCs to operationalize INFFs by 2027¹⁷ and recognition of INFFs as the cornerstone of country platforms.¹⁸

⁹ Italy's input to the FfD4 elements paper.

⁴ INFF Facility, 2024, <u>Making finance work for people and planet: how countries are building their</u> sustainable finance ecosystem through integrated national financing frameworks.

⁵ UN, 2023, <u>UN Secretary-General's SDG Stimulus to Deliver Agenda 2030</u>.

 ⁶ G20, 2021, <u>Financing for Sustainable Development: G20 Framework for voluntary support to INFFs</u>.
⁷ Agreed at the 5th United Nations Conference on Least Developed Countries, 2023, Doha

Programme of Action for the Least Developed Countries for the Decade 2022-2031.

⁸ Agreed at the 4th International Conference on Small Island Developing States, 2024, <u>The Antigua</u> and Barbuda Agenda for SIDS (ABAS) – a Renewed Declaration for Resilient Prosperity.

¹⁰ Sweden's input to the FfD4 elements paper.

¹¹ Spain's contribution to the FfD4 elements paper.

¹² Portugal's inputs to the FfD4 elements paper.

¹³ Landlocked developing countries group inputs to the FfD4 elements paper.

¹⁴ Alliance of Small Island States inputs to the FfD4 elements paper

¹⁵ Malawi's input to the FfD4 elements paper.

¹⁶ <u>Belgium's input to the FfD4 elements paper</u>.

¹⁷ Proposal to "Support all LDCs to develop integrated national financing frameworks by 2027 to manage diverse financial flows" included in the <u>Inputs by the Group of the Least Developed Countries</u> for the Elements Paper for the FfD4.

¹⁸ For example <u>India's inputs to the FfD4 elements paper</u> call for INFFs to be the cornerstone of global effort on the country-led platforms recommended during the Indian G20 Presidency while the <u>EU's</u> inputs call for strengthen collaboration between MDB engagement with country-owned platforms and INFFs. <u>Germany's inputs</u> advocate for the synergies between INFFs and country platforms and JET-Ps and the <u>Netherlands</u> for coordination around INFFs with IFIs

The INFF Facility was launched at the 2022 Financing for Development Forum to support countries developing and delivering INFFs. The Facility is a joint flagship initiative of the UNDP, DESA, UNICEF, OECD, the European Union, and the Governments of Italy, Spain and Sweden. It helps Governments and their partners realize the potential of the INFF approach to accelerate progress towards national sustainable development objectives and the SDGs. The INFF Facility brokers technical assistance, facilitates knowledge exchange and provides access to technical guidance. It leverages UNDP's role leading technical support to governments at the country level, DESA's leadership of the INFF methodology, UNICEF's support to social sectors, and key aspects of PFM and the OECD's experience with transition finance and engagement of development partners through the Development Assistance Committee.

Since its launch the INFF Facility has responded to demand for technical assistance in designing and delivering INFFs from more than 30 countries, facilitated exchange between policymakers in more than 70 countries and published more than 20 technical guidance, e-learning courses and analytical resources to support implementation at the country level.

The 2025 INFF Facility Partner Meeting will be hosted by the Government of Spain. This two-day event will bring together partners from all sectors from the country, regional and global levels to exchange and discuss priorities for country-led INFFs beyond 2025. The meeting will provide an opportunity to take stock of progress made and future priorities at the country level, considering how INFFs can advance financing for social, economic and environmental priorities. It will facilitate discussion on how to deepen partnerships and collaboration to mobilize and align public and private capital behind national sustainable development priorities, and the role of the INFF Facility in this regard. And it will offer a forum to share ideas and build consensus about the commitments for 2025 and beyond that can be sought through the FfD4 outcome in Seville.

Objectives

- Reflect on progress and priorities for country-led INFFs
- Strengthen partnerships and engagement of civil society, private sector, IFIs and development partners with country-led INFFs
- Shape potential commitments on INFFs in the FfD4 outcome
- Inform priorities for the INFF Facility post-2025

Participants

- INFF Facility partners
- Governments using the INFF approach
- Permanent missions engaged in discussion on INFF
- Civil society organizations
- Development partners
- International financial institutions
- Private sector organizations

• Independent experts

Materials

Before joining the INFF Facility 2025 Partner Meeting, we encourage participants to review key materials:

Read: <u>Making finance work for people and planet</u>, the INFF Facility's flagship report launched in April 2024

Hear: what Ministers of Finance and other policymakers using the INFF approach have to say about the value it brings at the national level: <u>https://www.youtube.com/@infffacility</u>

Explore: Financing strategies, policy documents, assessments and other resources from INFF implementation at the country level, technical guidance and e-learning on the INFF Knowledge Platform