

Financing for Development: IMF Commitments

Catherine Pattillo
Assistant Director

Strategy, Policy and Review Department, IMF

CSO Policy Forum Presentation, April 2016





Addis Agenda Financing for Development (FfD) Follow-Up

- FfD Follow-up Forum (FFDF) under auspices of ECOSOC to monitor and review progress with AAAA implementation, and means of implementation of the 2030 SDG Agenda.
 - Inaugural FFDF April 18-20 at UN
 - Will include multi-stakeholder roundtables on action areas; Briefing for civil society



Addis Agenda Financing for Development (FfD) Follow-Up

- Interagency Task Force (IATF) on FfD report:
Monitoring Commitments and Actions
<http://www.un.org/esa/ffd/publications/inaugural-2016-iatf-report.html>
- High Level Political Forum, July 11-20. “Ensuring that No One is Left Behind”
 - Follow-up and review progress on the 2030 SDG Agenda
 - 1st voluntary review of progress in 21 countries



Action Areas of the AAAA

- Seven **Main** Action areas
 - Domestic public resources
 - Domestic and international private business and finance
 - International development cooperation
 - International trade as an engine for development
 - Debt and debt sustainability
 - Addressing systemic issues
 - Science, technology, innovation and capacity building



Action Areas of the AAAA

- Cross-cutting **initiatives** that build on synergies of SDGs
 - A social compact for the delivery of social protection and essential public services for all
 - Scaling up efforts to end hunger and malnutrition
 - Closing the infrastructure gap, including establishing the Global Infrastructure Forum
 - Promoting inclusive and sustainable industrialization
 - Generating full and productive employment and decent work for all
 - Protecting ecosystems for all
 - Promoting peaceful and inclusive societies. Also gender equality, countries in special situations.



The IMF and the 2030 development agenda

- Core Business
- IMF committed to several new FfD/SDG initiatives
 - Increasing financial support for developing countries
 - Scaling up support on domestic resource mobilization
 - Expanding policy advice and TA on tackling infrastructure gaps
 - Bolstering support for fragile, and small developing countries
 - Promoting financial market development
 - Bringing analysis on equity, gender, environmental issues to operational work

1. Facilities, 2. DRM

Enhance access to IMF concessional facilities



Increased access levels by 50% on July 1

Expand support for domestic revenue mobilization (DRM), via technical assistance (TA), new diagnostic tools, work on international tax issues



- Expand scale of technical assistance (TA) on DRM
- Expand coverage of DRM issues in A-4 surveillance
- Joint IMF-WB initiative to: a) deepen dialogue with developing countries on international tax issues; b) develop a standardized tax policy diagnostic tool to help countries assess/prioritize policy reforms.

3. Infrastructure; 4. Fragile States

Help address efficiently large infrastructure gap



- New tools to assess investment management capacity, PPP fiscal risks, analyze investment-growth-debt trade-offs

Enhance support for Fragile States and Small Developing Countries



- Emphasis on medium-term capacity-building strategies in Fragile States
- New approach on macro-frameworks and policies for countries vulnerable to natural disasters

5. Financial Markets; 6. Inclusion

Promote the development of domestic financial markets



Focus: promoting financial market development (deepening) and inclusion (broader access)

- Tools: expand TA on financial market deepening; analytical work on both deepening and inclusion.
- New diagnostic tool to assess FMD challenges??
- Financial sector stability reviews.

Develop policies to address equity, inclusion, and environmental sustainability



- Pilot initiatives underway on inequality, gender, and energy sector issues
- Expanded analytical work on jobs and growth, inequality, gender equity, financial inclusion.

IMF Commitments in the Context of Climate Change

Further analytical work

- Benefits of energy pricing reform
- Growth impact of moving to a less carbon-intensive economy

TA and Policy Dialogue

- Technical assistance on energy and carbon price issues
- Integration of climate/energy issues in consultations (where macro-critical)

IMF Commitments in the Context of Climate Change

Financial Sector (joint):

disclosure requirements;
stress testing for climate risks;
prudential requirements in insurance;
new markets/instruments

Medium-term Policy Frameworks

Integrate natural disaster risks and preparedness within macroeconomic frameworks.

Work (joint) to incorporate adaptation policies into medium-term strategies.



Thank you!

<http://www.imf.org/external/np/pp/eng/2015/061515.pdf>

<http://www.imf.org/external/np/pp/eng/2015/112515.pdf>