

Overview May 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

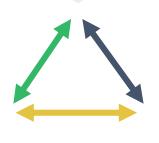
People

~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

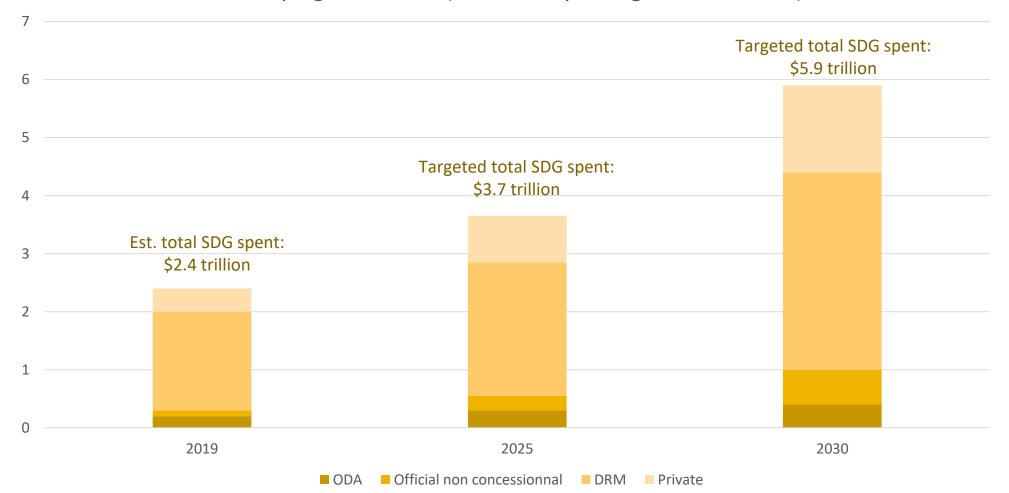


All nations are concerned: this is an agenda for humanity and our planet as a whole

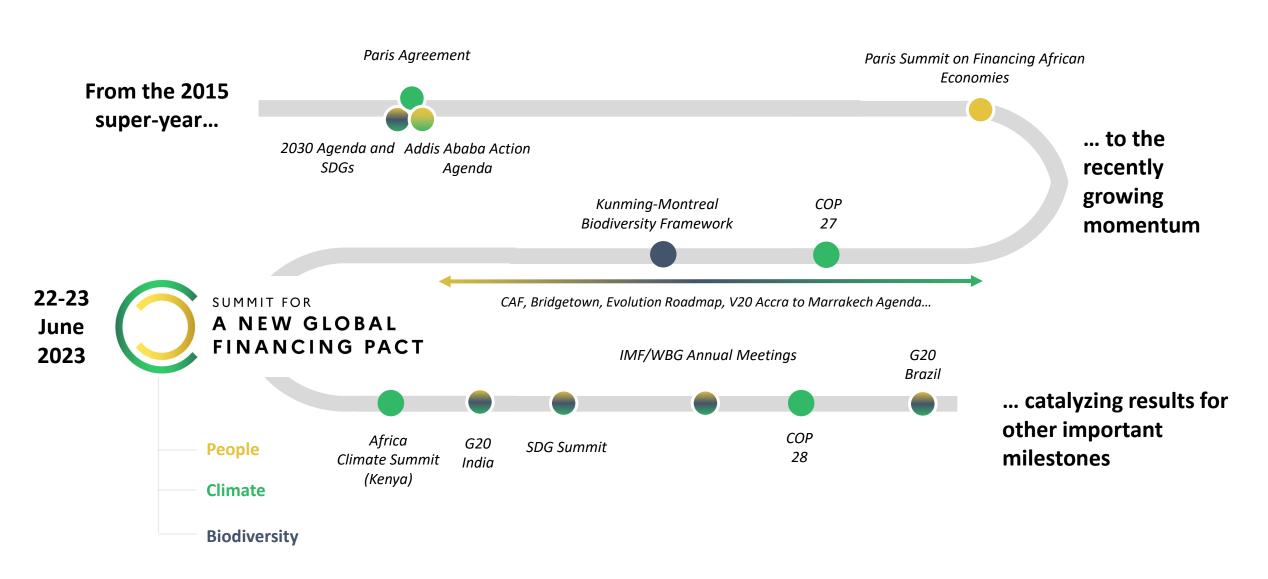
The objective is to address simultaneously climate change, biodiversity and development challenges and help all nations to fulfill the Sustainable Development Goals

## 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

2021 Paris. Rome \$100 BN SDR reallocation

Rome (G20)

2022

+ 14% ODA in 2022 (vs. 2021)

reaching \$ 200+ BN

framework (G20)

New Global Financing Pact
Heads of States Vision Statement

- 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

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New commitments and concrete results

- New schemes involving SDRs
- Blended finance instruments
- New climate/pandemic debt clauses
- Encouraging 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



. Increasing fiscal space and mobilizing liquidity

4 pillars / working groups



- 2. Scaling up investment in green infrastructures
- 3. Unlocking finance for the **private sector** in LICs
- Designing innovative financial solutions for climate vulnerability