SUMMIT FOR A NEW GLOBAL FINANCING PACT

Overview
April 2023
At a time of unprecedented challenges for humanity and the planet, a New Global Financing Pact to reevaluate priorities and instruments

<table>
<thead>
<tr>
<th>Climate change</th>
<th>Biodiversity</th>
<th>People</th>
</tr>
</thead>
<tbody>
<tr>
<td>$300+ bn.</td>
<td>~70%</td>
<td>~11%</td>
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<tr>
<td>Economic loss caused by natural disasters in 2022</td>
<td>Wildlife decline between 1970 and 2018</td>
<td>Additional nb. of people living in extreme poverty in part due to covid-19¹</td>
</tr>
</tbody>
</table>

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 current global financial architecture is built on the Bretton Woods System; time has come for a New Global Financing pact.

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

¹ In 2020 vs. 2019 | Sources: Insurance broker AON 2022 natural disasters losses figures (exact data = $313 BN), WWF and World Economic Forum 2022 data, World Bank Poverty and Shared Prosperity 2022 report
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)

Targeted total SDG spent: $5.9 trillion

Est. total SDG spent: $2.4 trillion

Targeted total SDG spent: $3.7 trillion

- ODA
- Official non concessionnal
- DRM
- Private
The June Summit is a catalyst to provide concrete results and raise ambition, building on past achievements and current dynamics.

From the 2015 super-year...
The June Summit will deliver a bold new vision, pioneer solutions and catalyze ambitious agenda for upcoming international events

### 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
- ...

### 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

### 4 pillars / working groups

1. Increasing **fiscal space** and mobilizing **liquidity**
2. Scaling up investment in green **infrastructures**
3. Unlocking finance for the **private sector** in LICs
4. Designing **innovative financial solutions** for climate vulnerability

### Summit for a New Global Financing Pact

- **Steering committee**

### Meet our targets to rebuild trust in collective action

<table>
<thead>
<tr>
<th>Year</th>
<th>Location</th>
<th>Target/Action</th>
</tr>
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<tbody>
<tr>
<td>2009</td>
<td>Copenhagen</td>
<td>$100 bn./year of climate finance for developing countries</td>
</tr>
<tr>
<td>2021</td>
<td>Washington</td>
<td>IDA-20 record replenishment ($93 billion)</td>
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<tr>
<td>2021</td>
<td>Paris, Rome</td>
<td>$100 BN SDR reallocation (G20)</td>
</tr>
<tr>
<td>2022</td>
<td></td>
<td>+ 14% ODA in 2022 (vs. 2021) reaching $200+ BN</td>
</tr>
</tbody>
</table>

### Sustain the momentum

Build on June Summit to scale up impact over time

<table>
<thead>
<tr>
<th>Event</th>
<th>Location</th>
<th>Event Details</th>
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<tbody>
<tr>
<td>Sept. Nairobi</td>
<td>Africa Climate Summit</td>
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<tr>
<td>Sept. NYC</td>
<td>SDG Summit</td>
<td></td>
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<tr>
<td>Sept. N. Delhi</td>
<td>G20 Leaders Summit</td>
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<tr>
<td>Oct. Marrakech</td>
<td>BW Annual Meetings</td>
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<td>Dec. Dubai</td>
<td>COP 28</td>
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1. Illustrative non-comprehensive list, set of solutions to be completed. 2. Balance Sheet | Source: Agence Ecofin, OECD 2022 Data | N8: WG stands for Working Groups of the NFP Summit