




تمويل

النّمية المُستدامة

2024

The Future of SDG Review & Implementation



United Nations | Committee for Development Policy

What are the Voluntary National Reviews (still) not telling us?

CDP members*

Voluntary National Review Reports: what do they report?

CDP Subgroup on voluntary national reviews*

ABSTRACT

Voluntary national reviews (VNRs) are an important innovation in a United Nations process for follow-up to the adoption of development agendas. This is the third annual review by the Committee for Development Policy (CDP) that provides a systematic content analysis of the VNRs presented to the HLPF. It includes broader analysis than in the previous years, including a stock taking of lessons learned in the CDP analyses as well as related studies and makes recommendations for strengthening the VNR process. The paper also analyses the VNRs presented in 2019 with regard to how countries addressed the key principle of leaving no one behind and partnerships as well as the sustainable development goals (SDGs) on gender equality (SDG 5) and reducing inequalities (SDG 10). Moreover, in the context of the current COVID-19 pandemic, the paper analyses how these VNRs address health emergencies. The paper confirms that the VNRs contain many interesting examples of national implementation approaches, but also highlights the CDP's concerns with weak attention to addressing inequalities and the commitment to leave no one behind. The report also draws attention to the need for strengthening the substantive analysis in the VNRs to facilitate the exchange of experience, and to enhance civil society involvement in the process to contribute to national democratic accountability for advancing sustainable development.

Keywords: Sustainable development, SDGs, 2030 Agenda, voluntary national reviews, leaving no one behind, global partnerships, inequality, gender equality

JEL Classification: P55, O1, Q01

Voluntary National Reviews Reports: What do they (not) reveal?

CDP Subgroup on voluntary national reviews*

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Voluntary national reviews (VNRs) are an important innovation in a United Nations process for follow-up to the adoption of development agendas. This is the third annual review by the Committee for Development Policy (CDP) that provides a systematic content analysis of the VNRs presented to the HLPF. It includes broader analysis than in the previous years, including a stock taking of lessons learned in the CDP analyses as well as related studies and makes recommendations for strengthening the VNR process. The paper also analyses the VNRs presented in 2019 with regard to how countries addressed the key principle of leaving no one behind and partnerships as well as the sustainable development goals (SDGs) on gender equality (SDG 5) and reducing inequalities (SDG 10). Moreover, in the context of the current COVID-19 pandemic, the paper analyses how these VNRs address health emergencies. The paper confirms that the VNRs contain many interesting examples of national implementation approaches, but also highlights the CDP's concerns with weak attention to addressing inequalities and the commitment to leave no one behind. The report also draws attention to the need for strengthening the substantive analysis in the VNRs to facilitate the exchange of experience, and to enhance civil society involvement in the process to contribute to national democratic accountability for advancing sustainable development.

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339 VNRs since 2016 with **44** due in 2024.

- VNRs remain **largely descriptive**.
- Policies are reported but **not analyzed**.
- Do not capture **financing requirements** to achieve national targets.
- Little attention to **synergies** and **trade-offs**.

Integrated Financing Solutions

 **United Nations** | Committee for Development Policy

February 13, 2024

Communiqué: New approach to the voluntary national review process

The Committee for Development Policy (CDP) congratulates countries on their active participation in the voluntary national review (VNR) process, and the success of the VNRs as an important innovation for the follow up and review of the implementation of the 2030 Agenda for Sustainable Development.

From 2018 to 2022 the Committee conducted annual analyses of the VNRs presented at the High-Level Political Forum (HLPF) the previous year. These studies have highlighted strengths and weaknesses of the review processes. Motivated by concerns that we are not on track to achieve the ambition of the 2030 agenda and in response to the Secretary General's call to "rescue the SDGs", the CDP proposes the launch of a new approach to the VNRs – VNR 2.0 – to strengthen their effectiveness as a tool for learning and exchanging lessons of experience in implementation of the SDGs. The key elements of the new VNR process would include:



SDGs Sustainable Development Goals Reporting

VNR^{2.0}

INFFs Integrated National Financing Frameworks

IMF SDG support and report on them

INFF | Integrated National Financing Frameworks

GUIDANCE NOTE FOR SURVEILLANCE UNDER ARTICLE IV CONSULTATIONS

Strengthening the VNR reports and processes: Recommendations for a new approach



 **HIGH-LEVEL POLITICAL FORUM ON SUSTAINABLE DEVELOPMENT**




HANDBOOK

FOR THE PREPARATION OF

VOLUNTARY NATIONAL REVIEWS

2024 EDITION

 **United Nations** | Department of Economic and Social Affairs



Integrated National Financing Frameworks (INFFs)

- **ANALYZE** financing progress.
- **ASSESS** the full range of financing (public/private/domestic/international/innovative).
- **QUANTIFY** the resources needed by 2030 (SDG-Costing).
- **ESTABLISH** how resources are to be mobilized & spent (SDG-Budgeting).

Meanwhile, financing gaps are rising



BROOKINGS

What can't be costed, can it be reviewed?

COMMENTARY

How much does the world spend on the Sustainable Development Goals?



“Global SDG costs estimates are as useful as tracking world rainfall totals when trying to grow a plant in the Sahara.”

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The costs of achieving the SDGs

Partners

National Contexts



Shared Prosperity Dignified Life



United Nations Economic and Social Commission for Western Asia (ESCWA)

The Arab region faced critical SDG financing challenges prior to the COVID-19 pandemic. Before the outbreak, the gross financing needs for the Arab region amounted to **\$6 trillion** to meet national implied demand for SDG financing requirements.¹ The COVID-19 crisis has further exposed low levels of investment in health, education and social protection, weakened fiscal and external balances, exacerbated health and humanitarian emergencies, and amplified existing inequalities. The pandemic's impact on SDG financing in the region has also been aggravated by pre-existing factors, including limited fiscal space, high reliance on no

On average, for **every dollar** gained in inflows, the Arab region lost **\$1.1** between 2011-2022

(Arab MICs lose \$1.1, the GCC \$0.9, LDCs \$1.03, and conflict-affected countries \$1.3)



SDG 17
PARTNER
FOR THE G

Strengthen the m
and revitalize the
sustainable devel



THE STATE OF
FINANCING DEVELOPMENT
IN THE ARAB REGION

OFF TRACK



SDGs@Risk: Global Financial Reforms

Are 2030 targets attainable?

The Global Framework

Financing for Development

250 Sources and Policy Choices



- Taxation (direct and indirect).
- Non-tax revenues and sovereign receipts.
- Savings from public spending (subsidy reform).
- Rationalize public spending & incentives.
- Enhance public investment efficiency.
- Curb illicit flows (tax evasion/avoidance & base erosion).



- Domestic private finance and capital markets.
- Foreign direct/indirect investment.
- Public-private partnerships.
- Blended finance, ESG investments and CSR.
- Remittances.
- National Development banks and credit unions.



- Official Development Assistance.
- Aid effectiveness.
- South-South Cooperation.
- Enhance the role of MDB's.
- Regional and Multilateral Banks.
- Climate finance.



- Reform of the WTO, special & differentiated treatment.
- Preferential trade agreements.
- Tariff and non-tariff barriers.
- Trade misinvoicing.



- Debt sustainability and debt service suspension.
- Debt management, relief and restructuring.
- Credit rating agencies.
- Innovative debt instruments and Islamic finance.

Then, what are the solution?



How do we implement them?

Implementation and operationalization at the country level

Several countries are exploring implementing the **SDG Stimulus** at the country level through **INFFs**, which were first introduced in the 2015 Addis Ababa Action Agenda. In October 2021, G20 Leaders endorsed the G20 Framework of voluntary support to **INFFs**.¹⁷

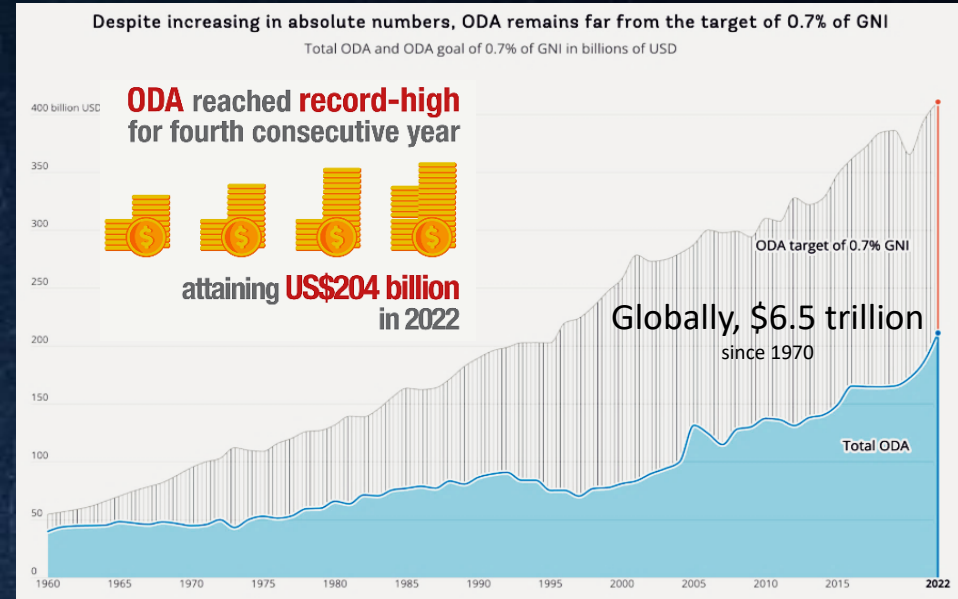
INFFs help governments chart long-term SDG investment plans and fiscal frameworks based on national priorities, consistent with a sustainable debt trajectory. The **INFF** methodology puts forward discrete steps countries can take to incorporate financing for the SDGs into national planning.¹⁸ **INFFs** provide tools for Governments to assess financing needs (laying out alternative need assessment methodologies); map out financing flows and link them to needs; evaluate investment policy options, including trade-offs across the SDGs; and prioritize new financing policy actions through a holistic approach (see Box 2).¹⁹

Well-designed **INFFs** can contribute to improved clarity about how international resources can best

be used. All official creditors – including bilateral donors, the IMF, multilateral development banks, and others – need to coordinate their actions with country-led and country-owned **INFFs**. The recently launched **INFF Facility**²⁰ brings together international efforts to support countries as they develop and operationalise **INFFs**.

At the country-level, **INFFs** can also help ensure that all investments are aligned with national priorities and ensure that investments that provide buffers to populations during crises and yield long-term returns – such as universal social protection, decent job creation, and re-skilling and lifelong learning programmes – are prioritized. Several UN-led initiatives, including the Global Accelerator on Jobs and Social Protection for Just Transitions, are aiming to support governments in prioritizing and enhancing investments in these areas.

Official Development Assistance



\$1.5 tr. unmet global ODA since 2015 (\$150 to the region)

\$5bn. unmet Arab LDC commitments (2016-2021)

\$185 bn. undisbursed global pledges (2011-2022)

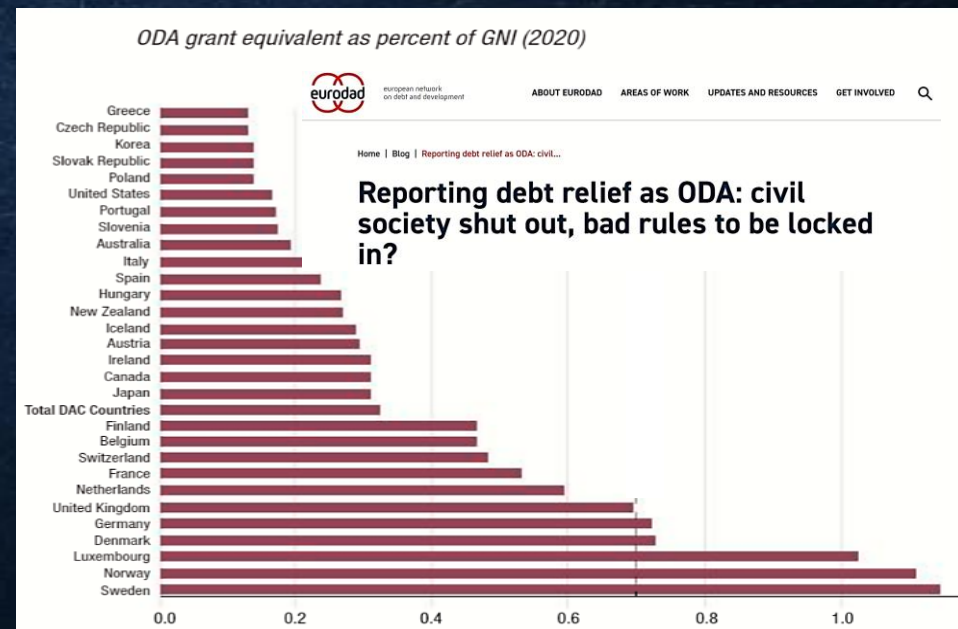
\$30bn. **in donor refugee costs** (15%).

\$23bn. humanitarian aid (12%).

\$16bn. Ukraine conflict.

Debt relief should be addition, NOT part of ODA.

Non-concessional ODA & tied aid.



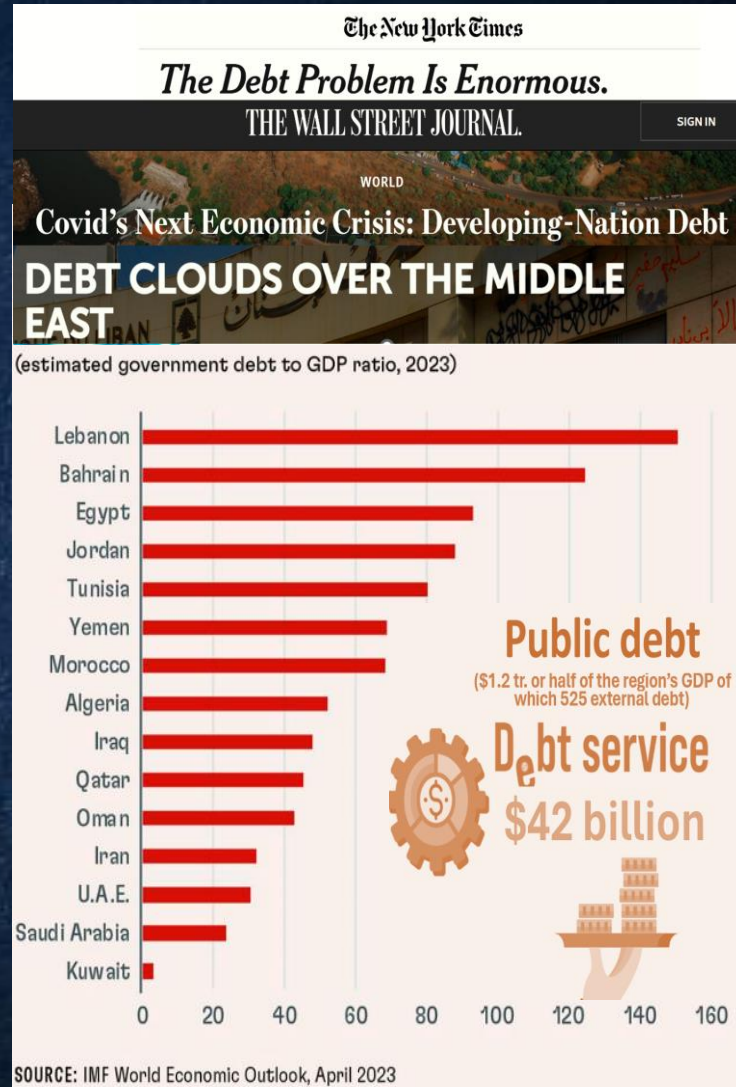
Debt Financing and Sustainability

Financing for Sustainable Development Report 2019

Inter-agency Task Force on Financing for Development



to ensure affordable access for all.⁵ The increase in loans also raises questions of whether ODA may be contributing to the build-up of debt in developing countries (see



Liquidity and Debt Solutions to Invest in the SDGs:
The Time to Act is Now

MARCH 2021

تجديد العمل بمبادرة تعليق خدمة الديون
وتوسيع نطاقها لتشمل الدول متوسط الدخل
تدابير وآليات لإسقاط أو تخفيف المديونية
إصدارات جديدة لحقوق السحب الخاصة
تحرير الموارد وزيادة الحيز المالي
تخفيف كلفة الاقتراض
إعادة النظر في دور وكالات التصنيف الائتماني
انشاء منتدى عالمي للمديونية السيادية

Foreign Direct Investments

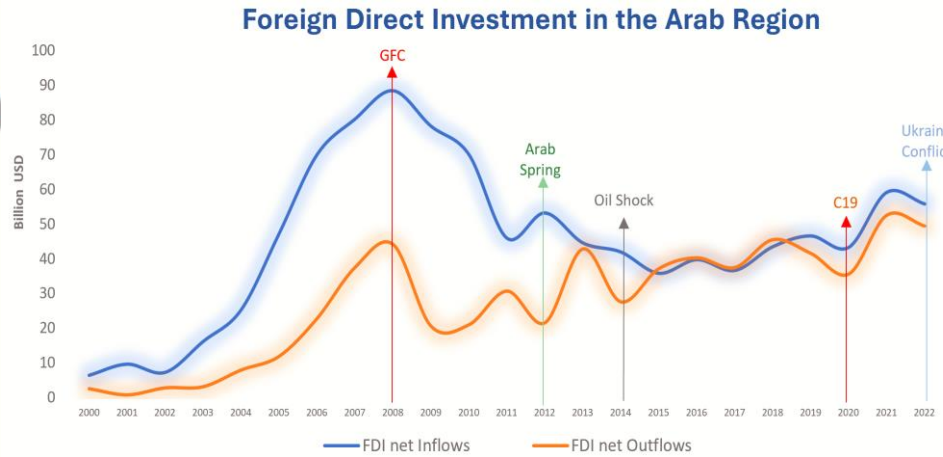
تذبذب التدفقات يزيد من صعوبة التنبؤ بالاستثمارات

الدخل الأولي وتسريباته

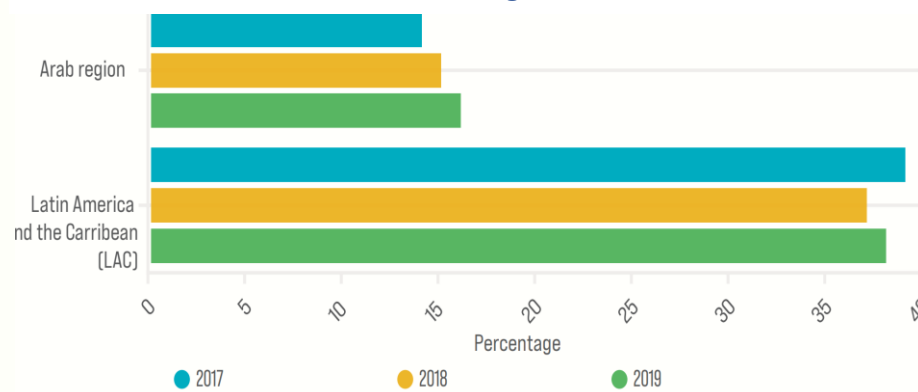
\$1.3 trillion



Global polycrisis impact on FDI



Taxes paid by MNCs do not correspond to the profits they make from the Arab region



\$60bn inflows vs \$50bn outflows

for every dollar received, the region returned 83 cents (2022)

\$8.6bn lost to tax abuse

for every dollar received, the region returned 83 cents in 2022

\$9bn. corporate tax potentials

If MNCs are taxed effectively

MNCs operate **at the minimum** scale that makes them profitable



Shared Prosperity Dignified Life
Financing
Sustainable Development



إطلاق المؤتمر الدولي الرابع لتمويل التنمية عام ٢٠٢٥

إصلاح منظومة وهياكل التمويل الدولية والإقليمية

العملية التحضيرية (القاهرة ونيويورك والمكسيك وأديس أبابا - ٢٠٢٤)

تحديث الموقف الإقليمي (٢٠٢١) وتحديد أولويات المستقبل العربية

الأدوات الديناميكية لتمويل التنمية والموازنات الذكية وتسلسل وترابط قرارات التمويل

شكراً

على حسن استماعكم

هشام طه

المستشار الإقتصادي للجنة الأمم المتحدة

الاقتصادية والاجتماعية لغربي آسيا

رئيس مكتب تمويل التنمية

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