

OECD STATEMENT TO THE ECOSOC FINANCING FOR DEVELOPMENT FORUM, APRIL 2019

Your Excellency Rhonda King, President of the Economic and Social Council,
Excellencies Ambassadors,

Dear Colleagues,

Allow me to begin by conveying my Organisation's appreciation for the hard work of the ECOSOC President, bureau, and secretariat, in the preparation of this year's Forum. The OECD has been privileged to contribute to the preparations, including through the Interagency Taskforce on Financing for Development, where we have helped to bring evidence to bear on the progress made since Addis Ababa.

This evidence is, I believe, cause for concern.

In a month's time, the OECD will release its Economic Outlook. Our recent Interim Outlook, released last month, confirmed much of what we have heard over the last few days: the global expansion is losing its momentum, and downside risks are continuing to build. High policy uncertainty, ongoing trade tensions, and a further erosion of business and consumer confidence are all contributing to this slowdown.

None of this is good news, particularly for the 800 million people still living in extreme poverty worldwide. Nor does it bode well for our collective ability to deliver on the promise of the 2030 Agenda for Sustainable Development.

In Addis Ababa, our Secretary-General underscored the vital role that well-delivered international development co-operation can play in the achievement of the Sustainable Development Goals, as well as the commitment of the OECD to continue scrutinizing international efforts. Last week, it was with great concern that we released figures showing a decline in Official Development Assistance (ODA). Assistance to the least-developed countries is down by 3% compared with 2017, aid to Africa is down 4%, and humanitarian aid fell 8%. We are, collectively, moving in the wrong direction.

We are also seeing that progress in shifting the trillions - that already exist in our financial systems - to those countries and sectors where they can have a truly transformational effect, is happening too slowly. Our *Global Outlook on Financing for Development*, released last autumn, highlights some of the paradoxes that continue to hinder our collective efforts.

Foreign direct investment is in decline. More also needs to be done to shift the incentives for investment that is green. In this regard, we look forward to contributing to the UN Secretary-General's climate summit this September.

In all of our countries, taxation remains the lifeblood of development. Too many countries are still struggling to mobilise 15% of their GDP as domestic revenue – the threshold conventionally considered necessary for an effective state.

Nevertheless, we are seeing advances in international tax co-operation. We are proud to have contributed to the work of the Platform for Collaboration on Tax, alongside UN DESA, the World Bank, and the IMF. The OECD-hosted Inclusive Framework on BEPS now brings together 129 countries on an equal footing to tackle the challenges presented by Base Erosion and Profit shifting by multinationals. And we are also pleased to be working hand-in hand with the United Nations Development Programme (UNDP) on the Tax Inspectors Without Borders initiative, which was launched in Addis Ababa and has since then delivered 56 programmes in 35 developing countries, putting some \$445 million in additional revenues in the coffers of developing country treasuries.

Time prevents me from expanding on some of the other areas in which we are working hand-in-hand with the United Nations family to support the achievement of the 2030 Agenda – shaping incentives through our work on a new measure of Total Official Support for Sustainable Development (TOSSD), for example; pushing for greater use of blended finance where it can have the most impact; boosting efforts to deliver high-quality SDG data; or helping governments harness the full potential of triangular co-operation.

But let me assure that in all of these endeavours and others, the OECD will continue to work *with* and *for* the United Nations.

Thank you very much.