

## Financing for Development

Statement by Norway 13 April 2015

Norway welcomes the emphasis in the zero draft on the responsibility of governments for regulatory frameworks, democratic institutions, policy coherence, and actions for gender equality. A genuine global partnership must be based on shared responsibilities, and encompass financial as well as non-financial contributions by all.

Furthermore, Norway recognizes the zero draft's constructive ideas for specific support to the post-2015 agenda. The focus on a new basic social compact, on infrastructure investment needs, on agriculture, and on private sector development is an important contribution in this regard.

On social protection, Norway would, however, have liked to see a reference to the innovative approaches already taken by the Global Financing Facility. And on infrastructure and energy, it would be appropriate to include a reference to the Clean Development Mechanism.

The document is clear about the importance – as well as the limitations – of ODA. It should come as no surprise that Norway would like to see a strong re-confirmation in Addis Ababa by as many countries as possible of both the 0,7 % ODA/GNI target and the corresponding 0.15–0.20 % target for the Least Developed Countries.

However, Addis Ababa should obviously not be a conference predominantly about ODA. The zero draft appropriately recognizes the comprehensive scope of our agenda.

In particular Norway welcomes the strong emphasis in the paper on the need to strengthen domestic resource mobilization. ODA and technical assistance should be used for building strong national tax administrations and fiscal management capacity in partner countries. We would also like to see a more close-knit and truly global international cooperation on tax matters.

That said, it is important for Norway that the focus on domestic resource mobilization is not seen as – or used as – a donor country exit strategy from ODA.

Linked to domestic resource mobilization is the increasingly recognized detrimental effect of illicit financial flows - effectively a *demobilization* of domestic resources. The zero draft recognises the challenge, but falls short of providing a concrete and measurable target. This should be rectified before Addis Ababa.

Norway also notes with great pleasure that the zero draft is clear on the importance and potential of private sector development, private investments and trade for poverty eradication and job creation. Norway welcomes the balanced way in which this is done, with a focus also on the need to regulate harmful activities, incentivize behavioral changes, and strengthen implementation of environmental, social and governance reporting frameworks. However, we would have liked to see a concrete reference to the UN Guiding Principles on Business and Human Rights.

Finally, co-facilitators, Norway would have liked to see the need for more financial predictability for humanitarian action reflected in the zero draft. Shocks from economic

crises, conflict, natural disasters, and disease outbreaks represent a major challenge for sustainable development. Norway stands ready to work with all countries that see the FfD process as an oportunista to boost efforts aimed at adapting and refining international tools for responding to crises and shocks.