



# United Nations Conference on Trade and Development

Distr.: General  
10 January 2022

Original: English

---

**Trade and Development Board**  
**Intergovernmental Group of Experts on Financing for Development**  
Fifth session  
Geneva, 21–23 March 2022  
Item 2 of the provisional agenda

## Provisional agenda and annotations

### I. Provisional agenda

1. Election of officers.
2. Adoption of the agenda and organization of work.
3. Financing for development: Mobilizing sustainable development finance beyond COVID-19.
4. Provisional agenda of the sixth session of the Intergovernmental Group of Experts on Financing for Development.
5. Adoption of the report of the Intergovernmental Group of Experts on Financing for Development on its fifth session.

### II. Annotations

#### Item 1 Election of officers

1. In accordance with established practice, it is suggested that the Intergovernmental Group of Experts on Financing for Development elect a Chair and a Vice-Chair-cum-Rapporteur.

#### Item 2 Adoption of the agenda and organization of work

2. The Intergovernmental Group of Experts on Financing for Development may wish to adopt the provisional agenda as reproduced in chapter I above.



3. It is proposed that the opening plenary meeting of the fifth session of the Intergovernmental Group of Experts, which will start at 10 a.m. on Monday, 21 March 2022, be devoted to procedural matters (items 1 and 2 of the provisional agenda) and opening statements. At the closing plenary meeting on Wednesday, 23 March 2022, the Intergovernmental Group of Experts will consider the adoption of the report of the fifth session of the Intergovernmental Group of Experts to the Trade and Development Board and the provisional agenda for its sixth session (agenda items 4 and 5), to be held tentatively in the fourth quarter of 2022. The remaining meetings will be dedicated to substantive discussions of issues under agenda item 3.

#### *Documentation*

TD/B/EFD/5/1

Provisional agenda and annotations

### **Item 3**

#### **Financing for development: Mobilizing sustainable development finance beyond COVID-19**

4. Following the fifteenth session of the United Nations Conference on Trade and Development, held from 3 to 7 October 2021, member States decided that the topic of the fifth session of the Intergovernmental Group of Experts on Financing for Development, to be held from 21 to 23 March 2022, would be mobilizing sustainable development finance beyond the coronavirus disease (COVID-19).

5. The topic corresponds to that of chapter I of the Addis Ababa Action Agenda (A/RES/69/313, annex), particularly paragraphs 14–17, and to action areas A to C in chapter II. In chapter I, “a global framework for financing development post-2015”, including “establishing a new forum to bridge the infrastructure gap” (para. 14), “promoting inclusive and sustainable industrialization” (para. 15), “generating full and productive employment and decent work for all” (para. 16) and “protecting our ecosystems for all” (para. 17) are outlined. In chapter II (sections A–C), challenges and priorities are set out regarding domestic public resources (chapter II.A), domestic and international private business and finance (chapter II.B) and international development cooperation (chapter II.C).

6. There is, by now, little doubt that the economic fallout from the ongoing COVID-19 pandemic is set to further widen pre-pandemic financing gaps to achieve the 2030 Agenda for Sustainable Development. While the nature and global reach of the COVID-19 crisis is exceptional for now, combined health, environmental, economic and financial crises may soon become the rule rather than the exception. It will therefore be important to turn the current crisis into an opportunity to rethink coordinated policies to scale up development finance from public, private, domestic and external sources.

7. Building back better requires “looking back to move forward”.<sup>1</sup> During the COVID-19 crisis, long-standing external constraints on domestic financial resource mobilization have become starkly apparent. A squeezed fiscal policy space, due to higher pandemic-related finance needs and falling public revenue because of lower levels of economic activity, combined with rising external debt burdens and high servicing costs on these, a steep fall in private external finance and an overall muted crisis response by international actors. Net private capital flows to low- and middle-income countries experienced a near collapse in 2020 and through to the second quarter of 2021, with differing degrees of flow volatility across country groups. While the new general allocation, in August 2021, of special drawing rights to an equivalent of \$650 billion by the International Monetary Fund provided much needed international liquidity relief including to developing countries, and both the International Monetary Fund and the World Bank committed substantive resources to rapid and emergency lending to low- and middle-income countries, this new lending will add to future multilateral debt burdens rather than alleviate them. Similarly, the Debt Service Suspension Initiative of the Group of 20 postponed outstanding debt obligations

---

<sup>1</sup> See “The Bridgetown Covenant”, TD/541/Add.2, chapter I.

in some low-income countries to participating bilateral creditors to 2022 onwards. The Common Framework on Debt Treatments beyond the Debt Service Suspension Initiative of the Group of 20 shares the limitations of the Debt Service Suspension Initiative in terms of country eligibility and creditor participation, but also reasserts standard International Monetary Fund and Paris Club adjustment and austerity policy conditionalities for (eventual) debt relief. These will further prevent indebted developing country Governments from strategically directing resources into sustainable, climate-conscious growth paths and stand in stark contrast with a rebound in developed countries, where unprecedented fiscal expansion has supported household incomes and monetary policies have ensured that a financial breakdown was avoided.

8. A resilient, greener and fairer international economy can emerge from this experience only if the 2021 rebound of global growth and trade is supported and coordinated in all regions, health provision including ready access everywhere to vaccines is treated as a global public good, the economic gains from recovery are rebalanced towards lower- and middle-income households, and there is a massive investment push across all countries into carbon-free sources of energy as well as other climate change adaptation and mitigation measures. In most developing countries, this also means a much stronger push towards transformational technological investment in infrastructure projects, from physical to digital infrastructures, that can provide both productivity increases as well as more secure employment. These interconnected challenges already informed the Addis Ababa Action Agenda, and they are at the forefront of the Bridgetown Covenant adopted at the fifteenth session of the United Nations Conference on Trade and Development, conducted under the impact of the unfolding COVID-19 crisis.

9. Yet, the COVID-19 crisis has put a more stringent question mark over the prevailing model of development financing that gives centre stage to the use of public funds to “unlock” or “leverage” private capital through “de-risking” private investment. Even prior to the pandemic this approach did not deliver expected results, with the much hailed move from “billions to trillions” failing to materialize. What the impact of the COVID-19 crisis on private development finance demonstrates is that, under this model of development financing, overt reliance on private development finance can jeopardize basic resilience to such exogenous shocks, unless de-risking incentives and subsidies for private investors are accompanied by relevant disciplining measures to ensure desired outcomes.

10. This would suggest an urgent need for a wider rethinking on how public oversight, control and planning, at the international, regional and national levels, can be leveraged more effectively to ensure a combined public and private delivery of development finance and planning, not only in terms of the volume of this finance but also in terms of directing those funds towards developmental purposes and infrastructure projects. Some progress would also be required beyond the international community’s current focus on supporting improved tax reforms and debt transparency in (debtor) developing countries to widen these to include internationally coordinated measures needed to alleviate external constraints on domestic (and regional) resource mobilization and to increase financial transparency in international capital markets.

11. The guiding questions agreed for the fifth session of the Intergovernmental Group of Experts on Financing for Development are as follows:<sup>2</sup>

(a) What lessons can be learned from the COVID-19 pandemic for the stable and reliable provision of long-term development finance?

(b) How can domestic and international, public and private financing instruments be improved to facilitate green industrialization and inclusive structural transformation in developing countries?

<sup>2</sup> As approved by the Trade and Development Board through a silence procedure, conducted between 8 and 13 October 2021, that was not broken.

(c) Which additional and/or alternative policies and initiatives can contribute to closing the infrastructure gap and, at the same time, promoting inclusive industrialization in developing countries and productive employment?

*Documentation*

TD/B/EFD/5/2            Financing for development: Mobilizing sustainable development finance beyond COVID-19.

**Item 4**  
**Provisional agenda of the sixth session of the Intergovernmental Group of Experts on Financing for Development**

12. The Intergovernmental Group of Experts on Financing for Development, acting in its capacity as the preparatory body for the sixth session, is expected to agree on the provisional agenda for its next session, the substantive item of which should come out of discussions under agenda item 3.

**Item 5**  
**Adoption of the report of the Intergovernmental Group of Experts on Financing for Development on its fifth session**

13. Under the authority of the Chair of the fifth session of the Intergovernmental Group of Experts on Financing for Development, a report of the meeting will be produced and submitted to the Trade and Development Board. The Intergovernmental Group of Experts may wish to authorize the Vice-Chair-cum-Rapporteur to finalize the report after the conclusion of its fifth session.

Experts are requested to submit written contributions related to agenda item 3 to the UNCTAD secretariat as soon as possible. For further information, please contact Ms. Stephanie Blankenburg ([stephanie.blankenburg@unctad.org](mailto:stephanie.blankenburg@unctad.org)), Chief, Debt and Development Finance Branch, Division on Globalization and Development Strategies, UNCTAD.