



International Conference

**New Approaches to Productive Development:
State, Innovation, Sustainability and Industrial Policy**

August 1-3, 2016, México City

IMF STAFF DISCUSSION NOTE

**Catalyst for Change: Empowering
Women and Tackling Income
Inequality**

Christian Gonzales, Sonali Jain-Chandra,
Kalpana Kochhar, Monique Newiak, and
Tlek Zeinullayev

International Trade Favours Multinational Corporations - *Roberto Azevêdo*

MSMEs are responsible for the largest share of employment opportunities in most economies, up to 90% in some countries... especially true re. opportunities for young workers and women.

...MSMEs often struggle to access trade finance. Globally, banks reject over 50% of requests for trade financing placed by smaller firms compared to just 7% of multinational companies.

improving the regulatory environment for MSMEs through the digitalization of government processes, improvement of access to public procurement markets, reduction of compliance costs...

we can't assume that MSMEs will continue to benefit from greater opportunities once they are connected. Connectivity is fundamental, but not sufficient. The reality is that, **if we just cross our arms and do nothing, we may see the opposite effect. E-commerce may actually promote the concentration of opportunities for big companies and services suppliers.**

Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

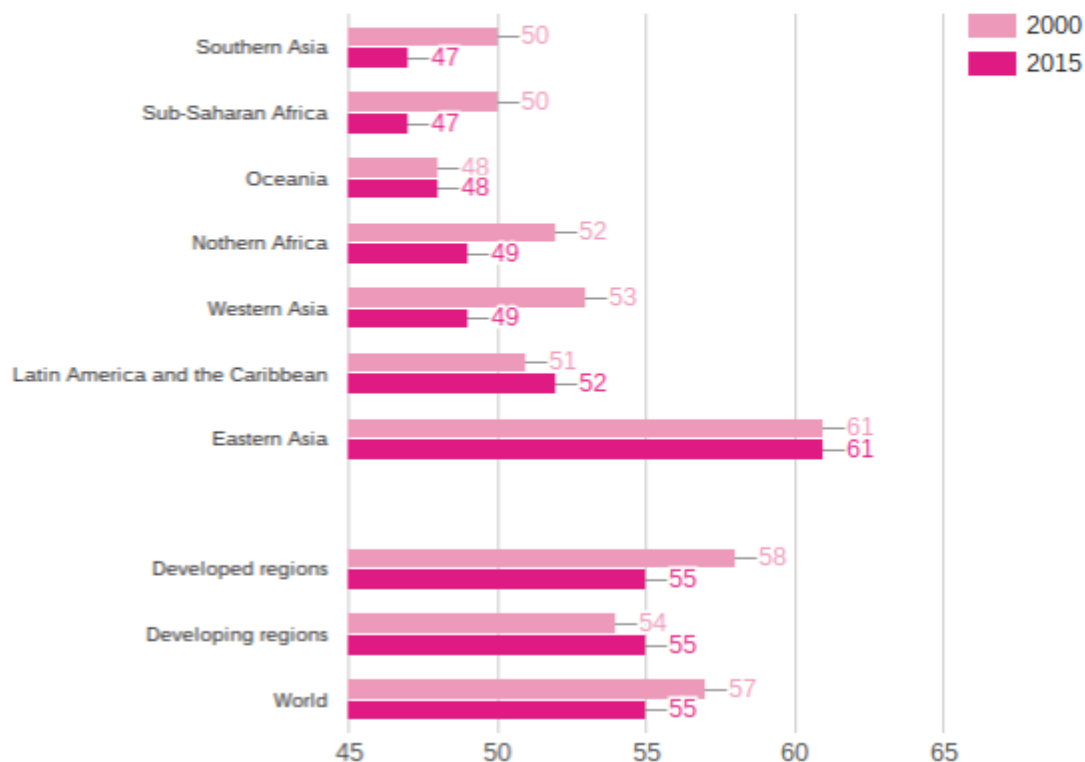
8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value

8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment

Labour's contribution to GDP has decreased across most regions

The share of GDP that is attributed to labour has been trending downward over the past 15 years as processes have become more mechanized and capital assumes a growing share of GDP. Over this period, the labour share of GDP only increased in Oceania and Latin America and the Caribbean, where it was at 48 and 52 per cent, respectively in 2015. Eastern Asia saw flat growth of labour share of GDP and continues to maintain the highest share in the world at 61.4 per cent of GDP. While the labour share of GDP fell from almost 58 per cent in 2000 to just over 55 per cent in 2015 for developed regions, developing regions experienced a slight improvement to 55 per cent. Stagnating wages across all regions contributed significantly to these results.

Labour share of GDP (PPP), comprising wages and social protection transfers, 2000 and 2015 (percentage)



The Future of Work

The world of work is undergoing a major process of change. There are several forces transforming it, from the onward march of technology and the impact of climate change to the changing character of production and employment, and demographics to name a few.

“

Current demographic trends bring 40 million people to the labour market each year, meaning that between now and the year 2030 the world economy needs to create over 600 million new jobs.

SDG 10: Reduce inequality within and among countries

SDG 12: Ensure sustainable consumption and production patterns

SDG 9 targets and global indicators

9.2 Promote inclusive and sustainable industrialization and, by 2030, significantly raise industry's share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries

9.3 Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets

9.2.1 Manufacturing value added as a percentage of GDP and per capita

9.2.2 Manufacturing employment as a percentage of total employment

9.3.1 Percentage share of small-scale industries in total industry value added

9.3.2 Percentage of small-scale industries with a loan or line of credit

SDG 9 targets and global indicators

9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending

9.5.1 Research and development expenditure as a percentage of GDP

9.5.2 Researchers (in full-time equivalent) per million inhabitants

Public-Private Partnerships and the 2030 Agenda for Sustainable Development: Fit for purpose?

Jomo KS, Anis Chowdhury, Krishnan Sharma, Daniel Platz¹

ABSTRACT

In light of a cautious emphasis given to public-private partnerships (PPPs) as a mechanism to finance infrastructure projects and highlighting the need for capacity building and knowledge sharing at the Third International Conference on Financing for Development in Addis Ababa, this paper reviews the extant literature on the subject and identifies areas requiring better understanding and institutional innovation for ensuring value for money, minimizing contingent fiscal risk and improving accountability. An institutional capacity to create, manage and evaluate PPPs is essential to ensure that they become an effective instrument of delivery of important services, such as infrastructure. There is also a need for a common definition of PPPs and internationally accepted guidelines, including uniform accounting and reporting standards.

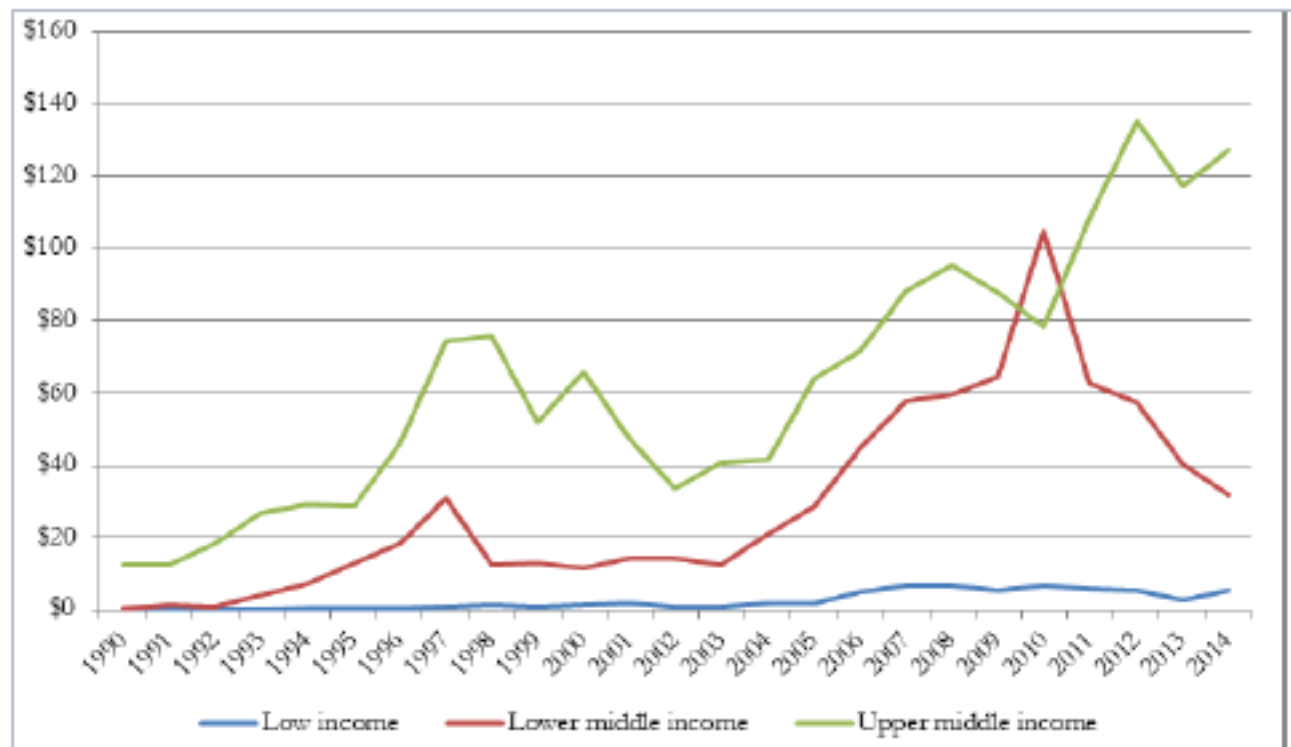
JEL Classification: H41, H54, L32, L33, O18

Keywords: Public-Private Partnerships, value for money, infrastructure, Addis Ababa Action Agenda, sustainable development

¹ Jomo was an Assistant Secretary General in the United Nations system responsible for economic research during 2005-2015; Chowdhury (Chief, Multi-Stakeholder Engagement & Outreach, Financing for Development Office, UN-DESA); Sharma (Senior Economic Affairs Officer, Financing for Development Office, UN-DESA); Platz (Economic Affairs Officer, Financing for Development Office, UN-DESA); corresponding author: Anis Chowdhury (chowdhury@un.org; anis.z.chowdhury@gmail.com). Thanks to colleagues at the Financing for Development Office of UN-DESA and an anonymous referee for their helpful comments. Thanks also to Alexander Kucharski for his excellent support in gathering data and producing figure charts and to Jie Wei for drawing the flow charts. However, the usual caveats apply.

Figure 3a

Private participation in infrastructure projects in different categories of developing countries



World Bank evaluation:

“PPPs are not a panacea. The literature points to the negative effects on public budgets because of contingent liabilities not being adequately assessed, insufficiently reported, or accounted for off-balance sheet. Furthermore, PPPs are generally considered to be more expensive than purely public financing due to higher private sector borrowing costs and high transaction costs in general. Moreover, PPPs are likely to produce inadequate risk allocation due to lack of competition during bidding and be subject to renegotiations which may put the public sector in a weak

UNDS – ITA Findings & Conclusions

In 2014, 84% of UNDS expenditures were funded with voluntary and earmarked resources. These non-core resources – typically determined bilaterally at the country level and outside the intergovernmental mandates and processes of UNDS entities – have grown significantly faster than core resources. a growing bilateralization of multilateral aid.

Between 1999 and 2014, total non-core resources increased by 182% in real terms, while core resources increased by only 14%. In addition to that, significant parts of core-contributions are also used for subsidizing earmarked funded projects. As a result, funds and programs are left with very little resources for implementing internationally agreed, strategic plans.

... and disproportionate:

Core Budget of the UN:	\$ 2.8 billion
UN system budget:	\$42 billion
New York City Budget:	\$68.5 billion
Chocolate spending globally:	\$100 billion
EU Budget:	\$175.8 billion
Illicit Financial Flows from developing countries:	\$991 billion
World's military expenditures:	\$1,750 billion

“In my view, this is one of the biggest challenges facing health promotion. [...] it is not just Big Tobacco anymore. Public health must also contend with Big Food, Big Soda, and Big Alcohol. All of these industries fear regulation, and protect themselves by using the same tactics.”

“Research has documented these tactics well. They include front groups, lobbies, promises of self-regulation, lawsuits, and industry-funded research that confuses the evidence and keeps the public in doubt. ”

“Tactics also include gifts, grants, and contributions to worthy causes that cast these industries as respectable corporate citizens in the eyes of politicians and the public. They include arguments that place the responsibility for harm to health on individuals, and portray government actions as interference in personal liberties and free choice.”

“This is formidable opposition. Market power readily translates into political power. Few governments prioritize health over big business. [...] This is not a failure of individual will-power. This is a failure of political will to take on big business.”

Table 16**WHO's top 20 voluntary (state and non-state) contributors 2014 (in US\$)**

#	Contributor	Core voluntary-contributions account	Other voluntary-contributions—core	Voluntary contributions—specified	Special Programme of Research, Development and Training in Human Reproduction	Special Programme for Research and Training in Tropical Diseases	Stop TB Partnership	Total revenue
1	USA			299,443,006	844,350	608,076	(223,627)	300,671,805
2	BMGF			253,658,387	1,924,568	938,282		256,521,237
3	United Kingdom	24,248,577		121,084,960	3,664,123	3,816,793	2,314,815	155,129,268
4	GAVI Alliance			127,754,707				127,754,707
5	Rotary International			66,516,459				66,516,459
6	European Commission			56,683,493		1,955,769		58,639,262
7	UNDP			55,893,741		564,902		56,458,643
8	UNOCHA			53,307,400				53,307,400
9	Norway	9,168,256		35,683,695	2,756,637	2,200,381		49,808,970
10	Australia	18,552,876		31,243,059				49,795,934
11	Sweden	24,422,735	749,353	13,565,944	4,588,514	5,180,580		48,507,127
12	Germany			46,703,498		814,111		47,517,610
13	UN CERF			43,130,386				43,130,386
14	African Development Bank Group			31,460,986				31,460,986
15	Japan			30,444,627		270,000		30,714,627
16	UNFIP			26,403,792	705,472			27,109,264
17	GFATM			25,055,335				25,055,335
18	Netherlands	5,980,978		13,005,376	5,650,000			24,636,354
19	National Philanthropic Trust			22,700,000				22,700,000
20	Republic of Korea		3,589,496	16,843,428				20,432,924

Sources: WHO (2015a), pp. 4.



HLPF - ECOSOC

COLOMBIA
NATIONAL VOLUNTARY REVIEW
THE SDGs: A TOOL
FOR
PEACEBUILDING

High Level Inter-Institutional 2030 Agenda & SDG
Commission

Simón Gaviria Muñoz
Minister of Planning

 @smongaviria

 SimonGaviriaM

New York, July 20, 2016



COLOMBIA COMMITTED WITH 2030 AGENDA SINCE ITS INCEPTION

INTERNATIONAL LEVEL

Colombia's active & constructive participation in:

- Rio+20
- Secretary General post-2015 High Level Panel
- Open Working Group on SDG
- Intergovernmental Negotiations on the Post 2015 Development Agenda
- IAEG-SDG

NATIONAL LEVEL

JUNE 2014: Alignment between Agenda 2030 & National Development Plan

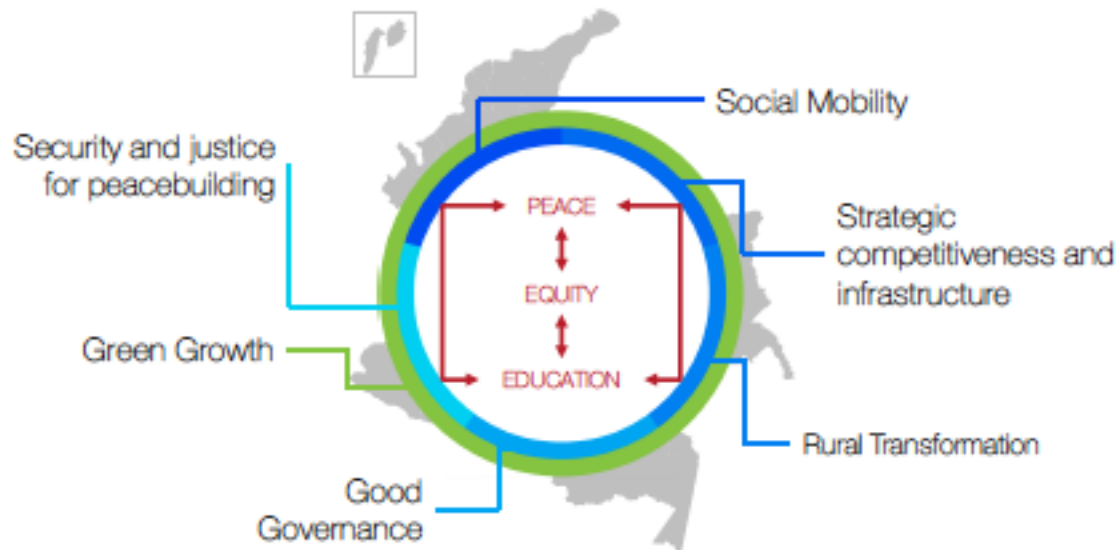
FEBRUARY 2015: Creation High Level Inter-institutional Commission

BOTTOM-UP APPROACH: *Regional Dialogues for Sustainable Development* in 7 cities covering all regions. Support from IADB, UNDP and Private Sector.

ALIGNMENT: 2030 AGENDA AND THE NDP 2014-2018

“TODOS POR UN NUEVO PAÍS”

NATIONAL DEVELOPMENT PLAN



2030 AGENDA



Over half of SDG targets included in NDP



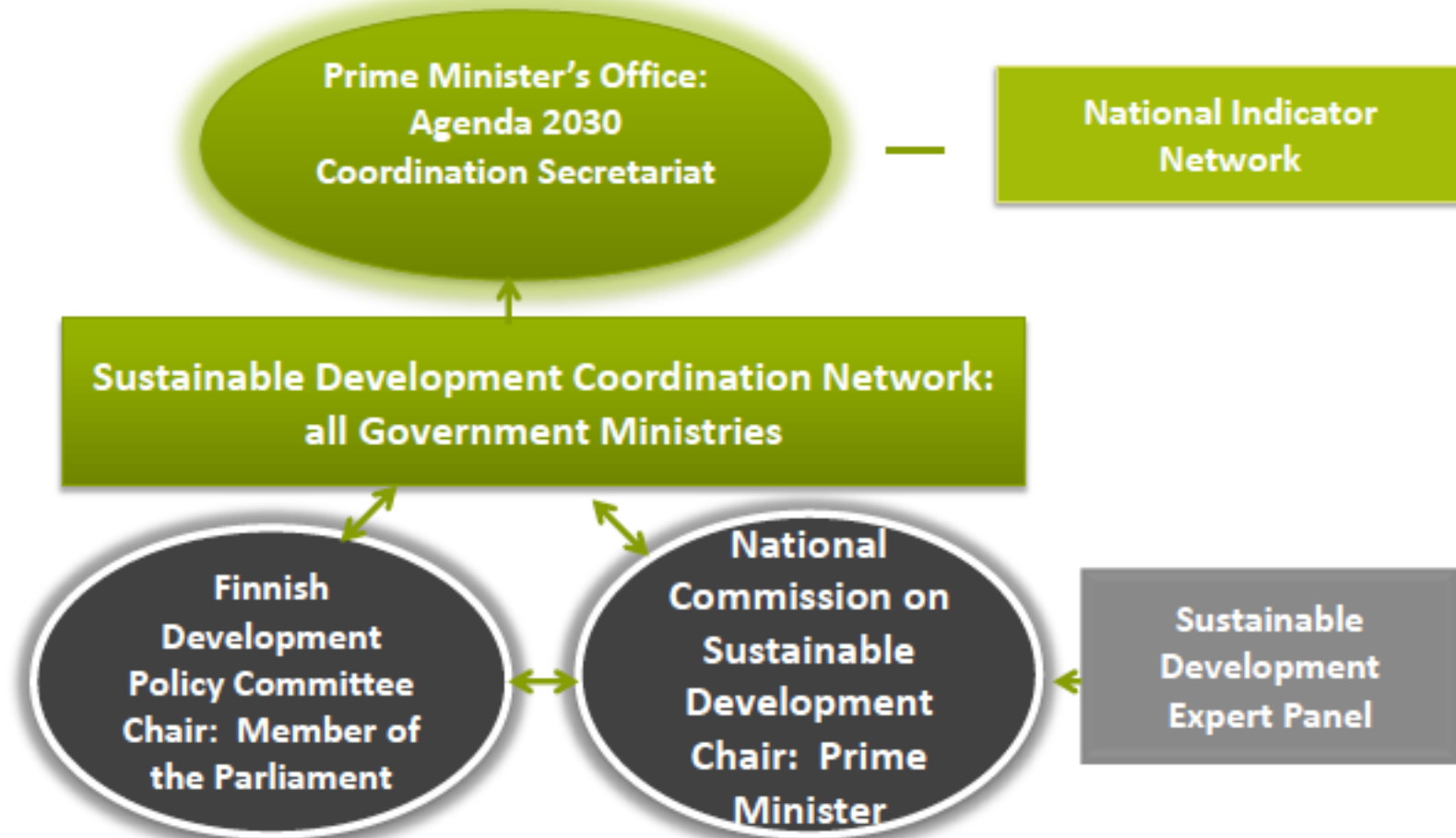
- 92 of 169 targets



- 19 targets in other policy instruments

Implementation of the Agenda 2030 in Finland

- Institutional mechanisms



2016 - WTO panel ruled in favour of USA charges against India for its state support to domestic solar energy enterprises...they violated India's national treatment obligations under the GATT 1994 and the WTO TRIMs agreement. India argued that under the Paris Agreement on Climate Change (2015), it had an obligation to ensure the adequate supply of clean electricity generated from solar power at reasonable prices in order to mitigate climate change and achieve sustainable development.

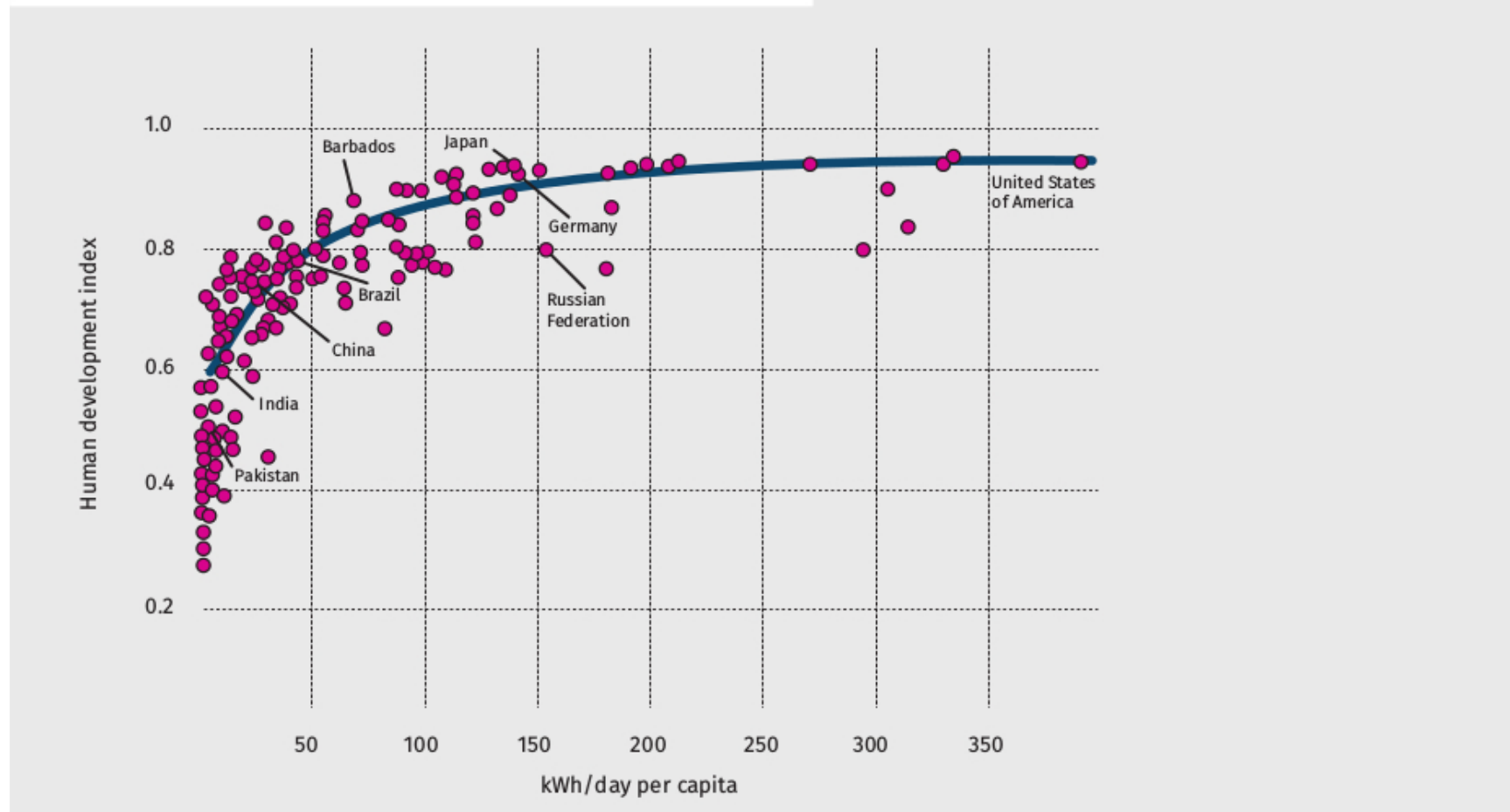
Canada was taken to arbitration court for violating provisions of NAFTA by American renewable energy company, Mesa Power Group, for preferential tariffs and guaranteed grid access for energy production awarded by Ontario's 2009 Green Energy Act to domestic renewable energy producers. Canada argued that boosting production and jobs in its domestic green energy sector is integral to the national response to climate change.

Target 9.4 calls for greater adoption of clean and environmentally sound technologies and industrial processes and increased resource efficiency.

The Technology Facilitation Mechanism created at the Third International Conference on Financing for Development in Addis Ababa, has the potential to support developing countries' concrete technology needs.

Figure 2.7.1

The correlation between energy use and human well-being



#SpotlightSDGs

#SpotlightSDGs

Spotlight on Sustainable Development

Report by the Reflection Group
on the 2030 Agenda for Sustainable Development

2016

