

First Drafting Session of the Conference on Financing for Development

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loans and allow for greater accountability through a better comparison of grants and loans. Furthermore, we have also ensured better terms and conditions of ODA loans to developing countries, implementing additional safeguards against the risk of debt distress. Finally, the new thresholds for ODA eligibility are stricter and tailored to a variety of developing countries. ³ V L W, ultimately ensuring that poorer countries receive the softest loan terms.

- x We are also working on making ODA ³ V P D U by prohibiting its strategic use to catalyse other sources of funding including private investment which is a critical resource for sustainable development.

and Exchange of Information for Tax Purposes is actively working with developing countries to overcome obstacles hindering participation in the new benchmark. The OECD is developing internationally comparable revenue statistics as a global project to help measure progress in domestic resource mobilisation and to underpin tax policy analysis and decision-making.

- x Another top priority for maximising resources for sustainable development is financial flows which are by far outstripping the amount of ODA that is received by developing every year. The OECD is intensifying its efforts by strengthening awareness and sharing knowledge on effective approaches to tackle issues including illicit trade, money, labour and strengthening asset recovery efforts.
- x An integrated framework is also necessary to increase investment both foreign and domestic as a crucial catalyst to create jobs, spur innovation and hasten the integration of local economies into global value chains. The 2015 Policy Framework for Investment, which offers a holistic and systematic approach to improving the enabling environment for investment, is now being updated and enriched to build on the R Q F R X Q W U L W W with its implementation. It has been used by over 30 emerging and developing countries at different stages of development and across all as well as major regional economic communities, a tool for assessing and reforming investment regimes, and is an important policy resource for enhancing investment that contributes to achieving the Sustainable Development Goals.
- x At the request of 162 countries, the OECD hosts the Global Partnership for Effective Development Co-operation together with the United Nations Development Programme. The Partnership provides a broad range of development finance stakeholders to ensure a more effective use of all development finance by strengthening developing country leadership over planning and of resources. The impact of development partnerships is based on mutual accountability through a developing country-led process for monitoring the quality of partnerships.

Finally we need better targeting and strategic use of ODA and other resources for enhanced sustainable development impact

- x OECD DAC members have reaffirmed their commitment to more of total ODA to developing countries most in need, including least developed countries (LDCs), low income countries, small island developing states and locked developing countries and affected states, agreeing on measures to incentivise lending on highly concessional terms to those countries.
- x ODA continues to play an important role in targeting stubborn pockets of poverty and leveraging other flows in middle income countries. We are paying particular attention to strengthening debt sustainability which is a pressing concern for a number of developing countries, including middle income countries.
- x ODA also enhances capacity building in the area of trade, improving export performance which in turn stimulates growth, creates jobs and generates crucial foreign trade. Through the Aid for Trade initiative and associated monitoring work, the OECD helps developing country suppliers to connect to global value chains and advises members on ways to provide more and better aid for trade.



x Climate change and development are intrinsically linked and need to be tackled in an integrated