

**Remarks by
Ambassador Dian Triansyah Djani
PR of the Republic of Indonesia / Chair of the Second Committee
Friends of Monterrey Retreat
Mexico City, 23 April 2017**

Excellencies,
Dear colleagues,
Ladies and Gentlemen,

I would like to take this opportunity to thank the Government of Mexico and the co-organizers for inviting me to this retreat.

As the Chair of the Second Committee of the General Assembly, I had the opportunity to oversee the intergovernmental consideration of the FFD-related items last year.

The Addis Ababa Action Agenda provides not only a global policy framework, but also a comprehensive set of policy actions by Member States, with a package of over 100 concrete measures to finance sustainable development, transform the global economy and achieve the Sustainable Development Goals.

We are at the second year of implementation of the Addis Agenda. Some progress was made, but significant challenges remain.

The world economy has not yet emerged from the protracted slow growth following the 2008 world economic and financial crisis, although world growth is expected to rise 3.5% this year, and 3.6% in 2018, compared to 3.1% of last year.

Growth in least developed countries will remain well below the sustainable development goals target in the near term.

Protracted weak global demand, political and policy uncertainties have slowed investments significantly in major developed and emerging economies.

Slow world trade growth is both contributing to and a symptom of the global economic slowdown.

Below-target growth and tax revenue threaten critical expenditure on healthcare, education, social protection and climate change.

But solutions do exist. Governments need to develop policies for support for public goods and to incentivize private investments for longer-term public priorities as they tend to evaluate risk and return over short-term horizons.

Investment in research and development, education and infrastructure would also promote sustainable development as well as social and environmental progress, while supporting productivity growth.

In this challenging environment, policy coordination and a renewed multilateral effort to tackle common challenges is even more critical.

Despite the challenges, I believe we are in a better position to tackle them than before.

Public and private resources are available and if effectively allocated and leveraged, can help close the gap for financing SDGs.

In this regard, the importance of public policy and public finance cannot be overemphasized.

Public policy can provide the right regulatory frameworks and get the incentive right. Public resources are fundamental for the provision of essential public goods.

Private finance serves as a major driver for growth. As we encourage private investments in the SDG sectors, we must be also cognizant of the lack of supply of services by the public sector, for example, benchmarking and risk assessment that are essential for investment decision-making for investing in SDGs.

More work should be done in this regard.

Moving Ahead

Allow me to highlight **key issues** that we need to focus on in the coming years.

First, partnership must be presented as an attractive business model for the private sector. We must make the case and send a clear message that sustainable development is a cost effective win-win solution!

On the checklist of things to do is to increase greater engagement of the private sector because this is where much of the growth is going to stem from.

The private sector is also a powerhouse for ideas, which is fertile ground to consider ways of fostering innovative partnerships that promote sustainable development, such as sharing of knowledge, expertise, technology, and financial resources to support the achievement of SDGs.

The UN could serve as the neutral party in supporting national governments leverage private sector partnerships.

Second, I would like to make pertains to generating and mobilizing domestic public resources to implement the 2030 Agenda.

Member States need effective measures that would significantly enhance their domestic revenue. Improving tax collection and expansion of the tax base is one of the areas that need strengthening.

In the case of Indonesia, a country of 260 million people had only limited tax payers. Efforts were made to better collect tax, such as through tax amnesty.

Developing countries require continuous capacity building in tax collection, financial intelligence, and asset recovery.

We need to continue exploring efforts to strengthen the UN's role in fostering international tax cooperation, including the possibility of establishing an intergovernmental commission on international cooperation in tax matters.

Third, promote the sharing of lessons learned and best practices in financing for development

We need a platform for Member States and all other stakeholders to discuss and promote solution-oriented ideas that unlock the funds needed to finance the SDGs.

The Group of Friends of Monterrey has been providing such platform ever since its conception.

There are other groups that provide similar platforms, such as the Group of Friends of SDG Financing and Group of Friends on Financial Inclusion, which Indonesia has the honor to co-chair. Synergies could also be built between these Groups.

While there is no “one size fits all” approach to financing the sustainable development, fostering the sharing of experiences and information can really help identify strategies that are best suited to specific country contexts.

Since the Monterrey Conference, the Second Committee of the General Assembly has been playing a critical role in the follow-up of the international conferences on financing for development.

The Committee also addresses particular financing for development issues under macroeconomic policy questions item.

The Committee’s work has also contributed to the overall follow-up and review of the implementation of the Addis Agenda.

For example, the Committee responded to the Addis Agenda by considering, for the first time, the issue of promoting international cooperation to combat illicit financial flows in order to foster sustainable development.

I am aware that the upcoming ECOSOC Forum on Financing for Development follow-up will have a dedicated discussion on the issue.

Crucial to the High-Level Political Forum, I look forward to the discussions at this retreat.

I thank you for your kind attention.