



## Revised Draft of the Addis Ababa Accord, ONE's Priority Edits

### ONE's 5 key deliverables for Addis

1. Governments must agree to a **new social compact**, including nationally-owned minimum per capita spending targets to deliver, **by 2020**, a basic package including health and education for all, but particularly for the poorest and most marginalised, with a focus on girls and women.
2. Governments should increase domestic revenues towards **ambitious, nationally defined revenue-to-GDP targets** and achieve those targets **by 2025** through implementing fair tax policies, curbing corruption and stemming illicit flows.
3. Development partners must allocate **50% of development assistance to LDCs by 2020**, DAC countries must **set timetables immediately to meet the target of 0.7% ODA/GNI** – ideally by 2020 – and all partners must implement agreed development effectiveness principles.
4. Development partners should agree on specific initiatives in Addis Ababa to **boost productive capacity**, particularly on agricultural development, infrastructure, energy and trade.
5. A **new global partnership** should be delivered to **finance the collection of data and its use**, with development partners **reporting and delivering on all development commitments** and opening up their own financial flows and budgets to scrutiny.

### What is missing in the revised draft of the Addis Ababa Accord

1. Effective commitments to capture lost domestic revenues, including through **extractive industries** mandatory reporting and open data standards, **public country-by-country reporting** by multinational enterprises, publicly available information on the **beneficial ownership of companies, trusts and similar legal structures and multilateral automatic exchange of tax information** that works to the benefit of developing countries. (Para 22 & 23)
2. **Long-term institutional investors** should commit to dedicating at least 1% of their assets to social impact investment, development finance, or civil society support, with a target of investing 50% of all investments in LDCs, as set out by the Bretton Woods II Progress Pledge. (to be added to Section II.B. "Domestic and international private business and finance")
3. Development partners should commit to a **new global partnership for data** to finance the collection of data and its use. As proposed in the zero draft, the **UN Statistical Commission** should facilitate enhanced tracking of data on all cross-border financing and other economically relevant flows. (Para 117 & 119)
4. **A strong accountability framework** through firm timelines for all commitments and decision to hold FfD conferences in 2020 and 2025. (Throughout the Accord & Para 124)

The following pages present ONE's proposed line edits to the text within the revised FfD draft.

### **Mobilizing support for the post-2015 development agenda**

12. Scaling up efforts to end hunger: It is unacceptable that more than 800 million people are chronically undernourished and do not have access to safe and nutritious food. Investments in nutrition, rural development and sustainable agriculture and fisheries will lead to rich payoffs across the SDGs. Ending hunger **and malnutrition** will ultimately depend on increasing incomes, and in the short term this can come about through higher smallholder productivity. We recognize the enormous needs for investment in agriculture, food production, and fisheries. This will ~~primarily~~ be financed through private **and public** sources. ~~We, and we~~ encourage increased private investments, in accordance with the Committee on World Food Security's (CFS) voluntary Principles for Responsible Investment in Agriculture and Food Systems. ~~However, p~~Public investments in agriculture and nutrition must play a strategic role, particularly in financing research, infrastructure and pro-poor initiatives. We agree to substantially increase public investment, **including through renewed L'Aquila commitments by developed countries and achieving the Malabo commitments by African leadership**, with a focus on smallholders, agricultural cooperatives and farmers' networks, the multi-dimensional challenge of nutrition and promoting gender equality and empowerment of women.

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### Domestic public resources

22. Countries relying significantly on natural resource exports face particular challenges. We encourage investment in value addition and processing of natural resources. At the same time, we will address excessive tax incentives in extractive investments. We ~~encourage countries to implement measures to ensure transparency such as~~ **agree to implement** the Extractive Industries Transparency Initiative Standard. **We welcome the creation of mandatory extractive disclosure laws to ensure the full public disclosure of natural resource payments.** We will continue to share best practices and promote peer learning and capacity building for forging successful state relationships with the extractive sector, including fair concession and royalty agreements. **We agree to the compulsory publication of contracts governing the exploitation of a natural resource in open data formats, to ensure greater public monitoring and more equitable management of natural resources.**

23. We commit to more concerted international tax cooperation, based on the principles of non-discrimination and trust. We encourage countries, in accordance with their national capacities and circumstances, to work together to strengthen transparency and adopt appropriate policies, including: **public** country-by-country reporting by multinational enterprises; public beneficial ownership registries **of companies, trusts and similar legal structures**; and **multilateral** automatic exchange of tax information, **ensuring that such agreements work to the benefit of developing countries**, with assistance to developing countries, especially the poorest, as needed to upgrade their capacity to participate, taking into consideration the compliance costs for business. We agree to work through relevant fora to end harmful tax competition and call on competing countries to engage in voluntary discussions on tax incentives in regional and international fora. We call on all multinational companies to comply with national tax laws and regulations.

27. We will spend our resources efficiently and effectively in support of country-owned national sustainable development strategies and the SDGs. We will ensure that our national policies and public financial management promote equity, gender equality and women's and girls' empowerment, good governance and accountability at all levels. We will strengthen national control mechanisms, such as supreme audit institutions, along with other independent oversight institutions, as appropriate. We will increase transparency and participation in all aspects of the budgeting process, **including by publishing accurate, timely and standardized and comparable revenue and expenditure data in open data formats**, and invite those who have not yet done so to join the Open Government Partnership. We further agree to establish transparent public procurement frameworks as a strategic tool to reinforce sustainable development.

28. We commit to ensure social protection and essential public services for all, including indigenous peoples, children, persons with disabilities, youth and older persons, as part of a new "social compact". We will implement nationally appropriate social protection systems and measures for all, including floors, with a focus on those furthest below the poverty line and people in vulnerable situations. We will also set nationally appropriate spending targets on a package of essential social services, including health, education, water and sanitation, consistent with national sustainable development strategies. We will make every effort to meet these benchmarks for all communities. We agree to support national efforts with commensurate international cooperation and finance, particularly to LDCs and other vulnerable countries, to ensure that by ~~2030~~ **2020**, every woman, every child and every family has access to a nationally agreed package of essential services. **We agree to produce national plans to do so by end-2016, written in full consultation with all key stakeholders.** We will explore the most effective, efficient and coherent funding modalities to do this, including the possibility of global funds, building on the experiences of existing mechanisms.



## Domestic and international private business and finance

**[New paragraph to be added]** We note that Long-term institutional investors such as pension funds, charitable endowments, and sovereign wealth funds control trillions in assets worldwide. These large asset holders benefit from reduced market volatility and as nascent economies develop. They therefore have both a vested interest and a fiduciary obligation to pursue impact investments that reduce volatility, improve governance, and advance the Sustainable Development Goals. We call on long-term institutional investors to commit to dedicating a at least 1% of their assets or profits to social impact investment, development finance, or civil society support, with a target of investing 50% of all investments in LDCs, as set out by the Bretton Woods II Progress Pledge.

## International public finance

51. ODA remains critically important for developing countries that have limited capacity to raise resources domestically, in particular LDCs, LLDCs, SIDS, fragile and conflict affected states, those in protracted crises and African countries. It can also play an important catalytic role in middle-income countries. We welcome the significant increase in the volume of ODA since the Monterrey, despite the difficult fiscal situation of many countries, and are encouraged by those countries that have met or surpassed their commitments. Nonetheless, we note with concern that many still fall significantly short of their commitments. We urge all developed countries that have not yet done so to **commit to** substantially increase their ODA starting immediately, with a view to implementing by 2020 their commitment to allocate 0.7 per cent of GNI in ODA to developing countries, with 0.15 to 0.20 per cent of GNI to LDCs. ~~We strongly encourage~~ All donor countries **will** establish, by the end of 2015, indicative timetables to illustrate how they will increase their assistance and reach their assistance goals.

52. We encourage the targeting of ODA to countries where the need is greatest, in particular LDCs, LLDCs, SIDS and African countries, in accordance with their national priorities. We note with great concern the decline in the share of ODA allocated to the poorest and most vulnerable countries, in particular LDCs, and welcome the decision of members of the OECD Development Assistance Committee to reverse this trend. We urge all developed countries to **commit to** allocate at least 50 per cent of net ODA to LDCs **by 2020**.

## Data, monitoring and follow-up

117. We recognize that greater transparency is essential, and can be achieved by publishing timely, comprehensive and forward-looking information on development activities in a common, open, electronic format, as appropriate. Access to reliable data helps governments to make informed decisions, and enables all stakeholders to track progress, understand trade-offs, and creates mutual accountability. We will learn from and strengthen existing initiatives and open data standards, such as International Aid Transparency Initiative (IATI). We further recognize the importance of national ownership of the post-2015 development agenda, and we stress the importance of **by end-2016** preparing country needs assessments for the different needs and priority areas that would allow for greater transparency and efficiency of implementation by linking needs and support, in particular in developing countries. **These country roadmaps should identify data gaps and include an investment plan for the collection of this data. Development partners should align behind these plans, including through a new global partnership for data.**

**[Language should be reinstated from Zero Draft]** We also request the UN Statistical Commission, working with the relevant international statistical services and forums, to facilitate enhanced tracking of data on all cross-border financing and other economically relevant flows that brings together existing databases, and to regularly assess and report on the adequacy of international statistics related to financing for sustainable development.



124. ~~We will consider the need to hold a follow-up international conference to review and further advance the implementation of the Addis Ababa Accord by 20xx.~~ **We agree to hold a follow-up international conference to review and further advance the implementation of the Addis Ababa Accord in 2020 and 2025, to monitor progress along the way.**

**What should be maintained (and further reinforced) in the revised draft:**

1. The overall focus on **LDCs unique needs** as well as measures to ensure Addis delivers for **girls and women**.
2. A **new 'social compact'**, including country-owned spending targets on essential services. We would urge national plans to do so to be produced by end-2016 and targets to be met by 2020. (Para 11 & 28)
3. Commitment to combat **tax evasion, corruption** and eliminate **illicit financial flows** as well as **enhance tax cooperation**. (Para 20-26)
4. Commitment to enhance revenue administration through **progressive tax systems**, including **nationally defined domestic revenue targets**, and reach them by 2025. Commitment to support countries in reaching their targets. (Para 19)
5. Commitment to **budget transparency**. This should be reinforced by a commitment to publish accurate, timely and standardized and comparable revenue and expenditure data in open data formats
6. Commitment to **0.7% ODA/GNI** and **50% of development assistance to LDCs** by 2020. (Para 51 & 52)
7. A **new Infrastructure Platform** to bridge the financing gap in sustainable infrastructure. (Para 13 & 46)
8. Commitment to strengthening the **multilateral trade system**, including doubling the LDC share of global exports by 2020 and integrate sustainable development into trade policy. (Para 70-79)
9. Commitment to **high-quality timely and reliable disaggregated data**, to support **statistical capacity building** and to turn data into **useful, actionable information**. We would urge country roadmaps to do so to be adopted by end-2016. (Para 115-119)
10. Commitment to a **strengthened follow-up process**, including through convening a high-level inter-agency Task Force to report annually on progress. (Para 120-123)