



Innovative financing for sustainable development

RioCentro, Room T2, June 22nd, 1pm-2.30pm

In partnership with the United Nations, the Leading Group on Innovative Financing is organizing a **high-level side event on the theme of innovative financing for sustainable development on 22 June 2012, from 01:00pm to 02:30pm, at the Riocentro Exhibition & Convention Center (room T-2)**. The high-level side event which may be open by the Secretary-General of the United Nations will be an opportunity to highlight the variety of innovative financing initiatives implemented by some twenty countries with different levels of development.

Innovative financing mechanisms aim to address the imperatives of international solidarity which require increased financial flows.

These financing mechanisms are innovative in three ways: (i) by their **stable and predictable collection mode**, (ii) by their complementarity to official development assistance, and (iii) by the **multilateral management of mobilized resources**.

The **Leading Group on Innovative Financing**, created in 2006, brings together 63 States along with international organizations, NGOs and Foundations wishing to make progress in the implementation of innovative financing mechanisms. This forum for information exchange and discussion promotes **the political mobilization of States with different levels of development** in support of innovative financing. Organized in themed Task Forces, the Leading Group also provides **expertise** in the fields of health, education, food security, climate change and financial sector contributions (financial transaction tax).

Today, instruments which contribute to raising new financing for development from the sectors which have most benefited from globalization (finance, tourism, transport and communication) can be classed in **six categories: taxes based on globalized activities, guarantee and market mechanisms, debt for development swaps, citizen contributions and lotteries**. The funds raised by innovative financing mechanisms since 2006 are estimated at €6 billion.

The **United Nations** has played a determining role in the recognition of innovative financing mechanisms, which were mentioned in the **outcome document of the 2002 Monterrey Conference** and were given a prominent place in 2008 during the **Doha Conference**, which called for a scaling-up. They were one of the major themes of the **United Nations Summit on the Millennium Development Goals** (September 2010) and the **Istanbul Summit on Least Developed Countries** (May 2011). Innovative financing mechanisms are discussed in several international entities: G8, G20, African Union, European Union.

The **Rio+20 Conference** is therefore a **major opportunity to maintain the international community's efforts to scale up the mobilization of new resources for sustainable development** in its social, economic and environmental dimensions. The exchange of best practices based on lessons learned must lead us to innovate to achieve our international solidarity goals.