The Role of PFM in Driving Realization of the Sustainable Development Goals

ICGFM Spring Conference
Miami, Florida

May 16, 2016
Sustainable Development Goals

1. No Poverty
2. Zero Hunger
3. Good Health and Well-being
4. Quality Education
5. Gender Equality
6. Clean Water and Sanitation
7. Affordable and Clean Energy
8. Decent Work and Economic Growth
9. Industry, Innovation and Infrastructure
10. Reduced Inequalities
11. Sustainable Cities and Communities
12. Responsible Consumption and Production
13. Climate Action
14. Life Below Water
15. Life on Land
16. Peace, Justice and Strong Institutions
17. Partnerships for the Goals

ICGFM The International Consortium on Governmental Financial Management
Integrated Approach
Global Climate Compact

Nations Unies
Conférence sur les Changements Climatiques 201
COP21/CMP11
Paris, France
Collaboration is Key
Challenges to Realizing Goals

- More than $1 Trillion gap annually
- Shortage of bankable projects
- Lack of well-functioning financial markets
- High cost of capital
- Risk-averse investors
- Relatively small investments
- Lack of coordination among stakeholders
Financing a Sustainable Future
Spotlight: SDG #7

GOAL 7

ENSURE ACCESS TO AFFORDABLE, RELIABLE, SUSTAINABLE AND MODERN ENERGY FOR ALL
Role of PFM in supporting the Sustainable Development Goals
Key Benefits of PFM

- Improved Information Access
- Increased Accountability
- Improved Resource Management
- Increased Governmental Efficiency & Effectiveness
- Integration with National/Subnational/Local Levels
- Improved Information Access
- Increased Transparency

- Political Stability
- Economic Growth

- Mutual Trust Government/Citizens
- Foreign Direct Investment

- Improved Governance

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Classic Pitfalls

• Weak political commitment
• Design & implementation model not tailored to local capacity and context
• Lack of country ownership
• Lack of coordination between initiatives
• Tension between national, subnational and local agents

Success with SDGs requires extensive local/regional commitment for areas such as environment, education, health, economy, etc.
Impediments to decentralized reforms

- Local skepticism at reality of reform benefits
- Lack of local engagement
- Belief that the reforms are not viable locally
- Question legitimacy of reform
- Fear of loss of control/centralized oversight
- PFM viewed as disruptor to local/regional mission
Workshop Directions

Tables organized by language (Spanish, French, English)

Group Table Worksheets
- Directions for the team
- Template to help analysis

Timing: 45 minutes, then break for 10 minutes

Report Out, post-break:
- Use the template to record the team’s responses
  - The completed template will be collected at the end of the session and your input will contribute to a blog for ICGFM PFM Innovation Lab
- Prepare a three minute summary of findings
- Nominate a spokesperson to present for the team
Case Study Exercise

Ensuring success of decentralized reforms

1. Discuss the experience of your team with distributed reform in your countries.

2. What does your team believe are the top five impediments to distributed reform?

3. What strategies and tactics does your team recommend to overcome these challenges?