

# The road to FFD4: Domestic Revenue Mobilisation (DRM) as a cornerstone for Sustainable Development Finance

*ATI side-event, co-hosted with the Permanent Delegation of the Gambia to the UN, NORAD, and TAI Collaborative, at the 3rd Preparatory Committee meeting for the Fourth International Conference on Financing for Development (FFD4)*

11 February 2025 | 10:00 A.M. to 11:30 A.M. (EST) | New York | Hybrid | English

## Background

Despite the progress driven by the Addis Ababa Action Agenda (AAAA), a greater emphasis on DRM is crucial for substantial impact. While DRM is pivotal for both developing and developed countries alike in financing sustainable development, the gap to financing the SDGs estimated to USD 4 trillion according to UN data is ever more staggering when it comes to lower-income countries. Tax revenue is a robust source to help fill in the gap. Unfortunately, tax collection in nearly 80% of low-income countries falls below 15% of GDP with 13% being the current average. Recent work by the World Bank shows the 15% tax-to-GDP threshold allows countries to boost their economic growth. Moreover, effects extend to inequality reduction. Therefore, increasing developing countries potential to raise revenue from taxes is central to national priorities and achieving the SDGs.

Effective and fair tax policies are at the heart of both economic and social aspects, and hence DRM-related ODA deserve more attention from the international community. The Addis Tax Initiative (ATI) urges countries to reinforce the focus on DRM as part of the commitments of the FFD4, with the pledge to foster fair and effective tax systems globally. The potential of taxation remains largely untapped, and equitable DRM is key to strengthening states' own resources, building trust in governments, reinforcing the social contract, and delivering essential public goods and services needed for poverty eradication and economic transformation.

## Objectives

This event will bring together UN delegations from ATI member countries and other interested stakeholders to engage in a constructive dialogue on how to integrate DRM priorities into the FFD4 agenda. The objective is to raise awareness of DRM's critical role as a sustainable, dependable funding source for development goals. Participants will be encouraged to discuss strategies for advancing fair and effective taxation and to identify concrete actions that FFD4 stakeholders can take to elevate DRM in the development finance landscape.



## Programme

Item	Speakers
Welcome and introduction	<b>Toril-Iren Pedersen</b> , ATI Steering Committee and Norad, <i>Moderator</i>
Opening remarks	<b>Binta Jeng</b> , First Secretary, the Permanent Delegation of the Gambia to the UN
Expert input	A presentation by <b>Matt Davies</b> , Head of the Global Public Partnership at IMF's Fiscal Affairs Department.
Moderated panel discussion	<p><b>Dirk Meyer</b>, Director General for Multilateral development policy, transformation, climate, German Federal Ministry for Economic Cooperation and Development (BMZ), Germany</p> <p><b>Ansumana Sanneh</b>, Deputy Permanent Secretary at the Ministry of Finance, the Gambia</p> <p><b>Nayab Azhar</b>, Deputy Collector of Customs/SA to Member (Customs-Policy), Federal Board of Revenue, Pakistan</p> <p><b>Ahtesham Khan</b>, Head of Tax for SDGs and Manager, Tax Inspectors Without Borders, UNDP</p>
Open discussion	Audience and all speakers
Concluding remarks	<b>Michael Jarvis</b> , Executive Director, TAI Collaborative
Closing remarks	<b>Toril-Iren Pedersen</b> , ATI Steering Committee and Norad, <i>Moderator</i>

The ATI side event will be hosted and organised by the Addis Tax Initiative (ATI), the Trust, Accountability, and Inclusion (TAI) Collaborative, Norad - The Norwegian Agency for Development Cooperation, and the Permanent Delegation of the Gambia to the United Nations.