

FINANCING THE SUSTAINABLE DEVELOPMENT GOALS

Lessons from Government Spending on the MDGs



Government spending is falling one third short of MDG needs – and the SDGs will require at least US\$1.5 trillion extra a year. Based on lessons from tracking country budgets, this report recommends how the SDGs should be financed: doubling tax revenue, by radically overhauling global tax rules; doubling concessional development cooperation, and improving its allocation and effectiveness; and raising US\$500 billion in public innovative financing. In addition, all spending must be dramatically reoriented to fight inequality, and be much more transparent and accountable to the world's citizens. If these measures are not taken, the SDGs may well be dead at birth.

Development Finance International (DFI) and Oxfam International have collaborated on the Government Spending Watch report to share research results, contribute to public debate around public financing for development, financing the SDGs, and the MDGs. This report does not necessarily reflect the views of DFI, Oxfam International, or the views expressed within these of the authors.



The [new 2015 Government Spending Watch report](#) (“Financing the Sustainable Development Goals: Lessons from Government Spending on the MDGs”) is launched April 13th. The report uses new and unique data-sets from 67 countries on MDG spending over 2012-14 period, new data-sets on debt and defence spending, combined with in-depth analysis of the latest financing trends in developing countries, to draw lessons and implications for the FfD agenda of the SDGs.

It finds that government spending is falling one third short of MDG needs. While the SDGs will require at least US\$1.5 trillion extra in public financing annually – meaning a total of US\$22.5 trillion in additional finance will need to be mobilised over the lifetime of the SDGs.

The report recommends that this US\$1.5 trillion can be financing through a three-pronged approach:

1. doubling tax revenue, by radically overhauling global tax rules
2. doubling concessional development cooperation, and improving its allocation and effectiveness;
3. raising US\$500 billion in public innovative financing. In addition, all spending must be dramatically reoriented to fight inequality, and be much more transparent and accountable to the world’s citizens.

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