



UNCTAD



COVID-19 Response and Recovery  
Mobilizing Financial Resources for Development

## Sustainable Development Finance Assessment (SDFA)

Making the SDGs compatible with public debt and external financial sustainability

The COVID-19 shock has **increased the debt vulnerability** of many developing countries that were already facing unsustainable debt burdens. Consequently, a number of low-income and middle-income countries were not able to adequately respond to the triple - health, social and economic - crises arising from the pandemic. The pandemic makes the achievement of the SDGs an even greater challenge and developing countries need new tools, such as the SDFA framework.



### What does the UNCTAD SDFA offer?

### How can the SDFA help developing countries?

1 It takes as point of departure UNCTAD Gap-analysis tool, which estimated the impact of **achieving SDGs 1-4** on public debt sustainability



The UNCTAD SDFA provides insight on the impact of the COVID-19 crisis on the external financial sustainability and public debt sustainability of selected developing countries.

2 It focuses on the **development finance** requirements for **sustainable development**



Overcoming debt overhangs and attaining the SDGs as quickly as possible requires **enhanced capability in beneficiary developing countries** to diagnose external financial and public debt vulnerabilities so they can design debt strategies.

3 It considers **all sources of foreign currency** revenues (exports and remittances) **and all types of external financing** (external debt, foreign direct and portfolio investments)



Under the DA Covid project, UNCTAD provided in-depth country analysis for Pakistan and Sri Lanka.



**Other countries can also benefit from SDFA in the future.**

**For more information, please contact:**

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