



Sound, inclusive, science- and evidence-based public financial management for the Sustainable Development Goals *

Summary

Addressing shortcomings in public financial management for the achievement of the Sustainable Development Goals is an ongoing, multifaceted concern. As no single initiative is likely to be sufficient to ensure the health of public finances on its own, the Committee recommends a comprehensive approach to public financial management reform with action on multiple fronts. In addition, the Committee draws attention to the need for proper management of emergency funding and to limit its use for non-emergency purposes. This was seen to be important particularly in the light of multiple ongoing crises and the limited attention paid to meeting basic international standards for transparency in the management of emergency funding in many countries.

Promoting comprehensive public financial management reform

Referring to the 2030 Agenda and the recently adopted Pact for the Future, the Committee pointed to the significant global financing gaps in implementing the Goals and noted various shortcomings in public financial management that, given the scope of national and international commitments and the volatility and complexity of the current global context, risked exacerbating an already difficult situation in many countries. Those shortcomings included a lack of fiscal buffers, a predicted rise in spending pressures owing to consecutive crises, lower government revenues owing to a slowdown in global growth and increasing debt service payments, all of which contributed to

ever-growing public debt and narrowed the room for manoeuvre in fiscal policy, particularly in developing countries.

The Committee observed that more rigorous medium- and long-term financial planning, strengthened transparency and integrity, reform of selected financing policy areas, capacity-building of the public sector workforce and enhanced stakeholder engagement in fiscal policymaking and public financial management were all part of the solution. At the same time, no single reform on its own was likely to be sufficient to ensure the health of public finances. The Committee therefore recommended that a comprehensive framework of

* This brief is an excerpt from the report of the Committee of Experts on Public Administration on its twenty-fourth session held from 7 to 11 April 2025. See Official Records of the Economic and Social Council, 2025, Supplement No. 24 ([E/2025/44-E/C.16/2025/9](https://publicadministration.desa.un.org/intergovernmental-support/cepa)). The Committee is a technical advisory body of the Council tasked with providing policy advice and recommendations on issues related to governance and public administration for sustainable development. For more information on the Committee's work, please visit <https://publicadministration.desa.un.org/intergovernmental-support/cepa>.

public financial management reforms be elaborated to support government efforts to achieve the Goals in the near term and serve as an enduring reference beyond 2030.

Many relevant practices had been studied in depth by the Committee in recent years, and/or were areas in which there existed expansive research networks and development cooperation offerings among the relevant United Nations organizations, regional organizations and professional and academic communities. The main elements had been elaborated in an expert paper on the topic that had been presented and discussed during the twenty-fourth session.

All such reforms needed to be adapted to context, while taking into account strategic use of technical capacity and political incentives. Public financial management could also benefit from leveraging data analysis, statistical methods and economic theory to help to inform decision-making. The concept of evidence-based financial management actively promoted the use of research findings to guide financial practices. Regular reviews and the updating of financial strategies on the basis of new data and

research findings were also needed, drawing on, among others, the work of the global Sustainable Finance Hub of the United Nations Development Programme; the assessment by the Organisation for Economic Co-operation and Development of governance mechanisms; and the work of the Public Expenditure and Financial Accountability programme.

The Committee noted that concerted national and international efforts were needed to strengthen subnational financial management systems in a whole-of government approach. In many countries, the decentralization architecture was outdated, with many subnational jurisdictions lacking the capacity to generate own source revenues or raise funds for capital investment and highly dependent on intergovernmental fiscal transfers and central government authorization and support for the implementation of the Goals. While private sector investment might compensate to some extent, public-private partnerships had also presented difficulties due to corruption, mismanagement of public funds and limited oversight, which necessitated enforcement of effective regulatory frameworks.

Budget and financial management in times of crisis

Against a backdrop of ongoing multiple crises, the Committee drew attention to the need for the proper management of emergency funding and to limit its use for non-emergency purposes. While beneficial as a way to fast-track crisis response when needed, the deployment of emergency funding carried risks, such as a lack of financial oversight, accountability and transparency, as well as diversion of funds from longer-term national sustainable development priorities.

Borrowing in times of crises needed to be sustainable and built on reserves formed during better times, when accountable Governments were expected to

save. However, most Governments were not capable of doing that, for political or implementation capacity reasons. Strengthening the medium-term orientation of the budget and more systematically identifying and managing fiscal risks, including through the accumulation of adequate fiscal buffers, were critical components of sound public financial management.

The establishment of fiscal rules could strengthen a Government's position by restricting overspending and at the same time preventing it from engaging in reckless behaviour. Fiscal rules might need to be expanded to include public private partnership-related operational measures, as well as related

accountability measures that helped to discourage opportunism and foster transparency and accountability.

Fiscal councils played an active role in influencing fiscal policy outcomes and might be well positioned to play a greater role in conducting analysis, raising public awareness and highlighting the reputational cost of imprudent spending or practices. Moreover, fiscal councils could present inputs to the budget process by analysing procurement plans, thereby providing technical expertise to prevent Governments from circumventing fiscal rules.

The Committee further emphasized the need to be able to refer to detailed guidelines on emergency public procurement in times of crisis and for all emergency procurement processes to be subject to audit and oversight, with effective follow-up action. The United Nations Commission on International Trade Law Model Law on Public Procurement (2014) could be used by countries outside the European Union as model legislation to inspire measures for

standard procurement, urgent or emergency procurement, simple and low-value procurement and large and complex projects.

The functionalities of electronic procurement platforms could helpfully be expanded to keep specific records on the procurement of emergency items and allow the public to track all emergency purchases. In times of emergency, beneficial ownership transparency was key to detecting cases of non-competitive procurement.

Governments were thus encouraged to incorporate beneficial ownership transparency in their public procurement regulations and to issue regulations on requesting and publishing beneficial ownership information for all public procurement contracts.

► **The Committee's deliberations are supported by expert papers prepared by the members in advance of the session. For more in-depth analysis of this issue, see United Nations official document [E/C.16/2025/5](#).**

Action by the Economic and Social Council

On 30 July 2025, the Council adopted resolution 2025/31 on the report of the Committee on its twenty-fourth session (as contained in [E/2025/L.23](#)). By this resolution, the Council:

***Encourages* Governments, especially in view of stronger budget pressures, to take a comprehensive approach to public financial management reform, accelerate action to increase transparency and equal participation in and oversight of the budgeting process, establish transparent and sustainable public procurement frameworks as a strategic tool to reinforce sustainable development and curb corrupt practices, strengthen budget credibility, and ensure proper use and oversight of emergency funding in a transparent and accountable manner;**

***Also encourages* Governments to embed commitments to the Sustainable Development Goals in budgetary and financial processes at the national and subnational levels by adopting practices to monitor, report on and evaluate the use of public financial resources in support of the Goals, such as reorganizing budgets, based on programmes and activities, and mapping and tracking budgetary contributions to each Goal, as appropriate.**