CIVIL SOCIETY FINANCING FOR DEVELOPMENT GROUP

Outcome Document of the 2022 ECOSOC Forum on Financing for Development (First Draft)

Inputs by Civil Society Financing for Development Group

This document has been collectively developed by the Civil Society Financing for Development (FfD) Group (including the Women's Working on FfD), a very broad platform of civil society organizations, networks and federations from around the world, that followed closely the Financing for Development since its origins, facilitated civil society's contribution to the Third International Conference on Financing for Development, and continues to provide a facilitation mechanism for the collective expression of civil society in the FfD Follow-up process. More information can be found on the Civil Society FfD Group's website: *https://csoforffd.org/about/*

While the group is diverse and positions might differ on specific issues, this document expresses the elements of common concern.

The column in the middle contains alternative text suggestion. Text underline in red represents additions, ~~strikethrough~~ = suggested deletions. The column on the right contains summaries of comments – further elaboration is available on request.

Summary

- Civil Society FfD Group's detailed inputs to zero draft can be accessed here: https://csoforffd.files.wordpress.com/2022/03/cs-ffd-group-inputs-2022-ffd-od-zero-draft-1.pdf
- Para 62: "We evaluated the need to convene a follow-up conference in a rapidly evolving global environment and agreed to have ~~consider having~~ the Conference in 2024."
- Para 60: Delete ~~We support the Secretary-General's proposal for convening a biennial summit to promote a more sustainable, inclusive and resilient global economy. We underscore the importance of ensuring inclusivity in our discussions on macroeconomic and financial issues at the United Nations.~~
    - The proposal for convening a biennial summit to promote a more sustainable, inclusive and resilient global economy risks undermining the existing Financing for Development (FfD) process, that is already mandated to address issues of private finance, debt architecture, innovative financing, international tax and illicit financial flows, ODA and technology and financial regulation in a universal, intergovernmental process with a legitimacy spanning 20 years. IFIs, in addition to the WTO and UNCTAD, are already stakeholders in the FfD process. We find it unacceptable for the United Nations to promote structures that privilege a handful of

member states (such as the G20) instead of reaffirming existing universal, inclusive processes. The proposal of the Biennial Summit reinforces both the lack of inclusiveness and the isolation of existing economic governance dynamics.

- Para 53: Delete "~~We encourage greater cooperation to implement the recommendations in the Secretary General's Road Map for Digital Cooperation and proposed Global Digital Compact~~."
  - The proposal echoes the recommendation of the UNSG's High Level Panel of Experts on Digital Cooperation which was co-chaired by key personalities in global technology platforms (Big Tech). The Panel's recommendations, fully adopted by the UNSG in his Road Map for Digital Cooperation published in June 2020, revolve around the central role of the private sector in addressing the digital divide and harnessing the potentials of digital technologies. Instead of enabling the self-serving push from Big Tech, the UN should support inclusive member state-led processes to address the development divide that underpins the digital divide, to regulate and curb the growing powers and wealth of Big Tech and ensure that human rights are respected. To protect the integrity of decision making on the global governance of digitalization, measures against conflict of interest should be adopted similar to the ones at the WHO. To address the adverse consequences of digital technologies on society, the environment and people, the UN should establish a transparent and participatory global mechanism to evaluate new technologies.
- Para 39: We reaffirm the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement) as amended, and also reaffirm the 2001 WTO Doha Declaration on the TRIPS Agreement and Public Health, which recognizes that the TRIPS Agreement should be interpreted and implemented in a manner supportive of the right of Member States to protect public health and, in particular, to promote access to medicines for all, and notes the need for appropriate incentives in the development of new health products including a waiver from the TRIPS Agreement to facilitate technology transfer and therefore boost production of COVID-19 diagnostics, therapeutics and vaccines; transfer, distribution and access to technology; promoting public-funded research among others ~~and recognizes that intellectual property protection is important for the development of new medicines~~.
  - **'**as amended' is unclear. Is it to incorporate the TRIPS Waiver issue? If so, it needs to specifically explain it. This para assumes that incentives for development of new health products are created only by intellectual property protection, but empirically this causal link is not established by the literature. In addition, IPR has triggered an inequity in vaccine development, for example discouraging innovation in neglected diseases which is prevalent among large populations in developing countries and LDCs. Further, this undermines the role of public funded research which has played an important role in the development of new health products and is particularly evident in the case of Covid-19 vaccines. The last line in particular needs to be deleted as it undermines developing countries' historical battle against control over technology that such IPRs give to MNCs, mostly located in developed countries. Such IPRs have resulted in higher prices through the creation of monopolies and has hindered access to medicine across developing countries and LDCs.

Zero Draft	Alternative Suggestion	Comments
1. We, Heads of State and Government, Ministers and high-level representatives, have met from 25 to 28 April 2022 at the Seventh Economic and Social Council		

	Forum on Financing for Development follow-up.		
2.	We express our grave concern that the mobilization of sufficient financing remains a major challenge in the implementation of the 2030 Agenda for Sustainable Development and that progress has not been shared evenly within and among countries. We reaffirm our resolve to continue to scale up our efforts towards the full and timely implementation of the Addis Ababa Action Agenda of the Third International Conference on Financing for Development, as well as the 2030 Agenda for Sustainable Development. We further reaffirm our commitment to strengthen multilateral cooperation and solidarity to combat the consequences of the COVID-19 pandemic.	We reaffirm our resolve to continue to scale up our efforts towards the full and timely implementation of the Addis Ababa Action Agenda of the Third International Conference on Financing for Development, the Doha Declaration and the Monterrey Consensus as well as the 2030 Agenda for Sustainable Development. We further reaffirm our commitment to strengthen multilateral cooperation and solidarity to combat the consequences of the COVID-19 pandemic.	Para 2 of AAAA commits to following up on all FfD outcome documents.
3.	We are meeting against the backdrop of a highly fragile global economic outlook amid the ongoing COVID-19 pandemic, the impacts of climate change and rising geopolitical tensions. We acknowledge that inflation, slowing growth, the ongoing supply chain and production disruptions, and the serious dysfunctions in global food security further endanger development prospects and contribute to a further divergence in recovery.		
4.	In this milieu, we must meet the moment and deliver on our commitments. We resolve to undertake responses that are targeted on reducing exclusion and tackling inequalities by addressing systemic issues in our global financial architecture to ensure that no country or	We ~~welcome~~ note the Secretary-General's Global Crisis Response Group on Food, Energy and Finance and take note of his call to amend imbalances in the global financial system and recommit to advancing fully towards an equitable global economic system.	

person is left behind. We welcome the Secretary-General's Global Crisis Response Group on Food, Energy and Finance and take note of his call to amend imbalances in the global financial system and recommit to advancing fully towards an equitable global economic system.		
5. We commit to undertake further actions to end poverty and hunger, reduce inequalities and enhance developing countries' access to financing for crisis prevention and response and for risk-informed investments in an inclusive, resilient and sustainable recovery.		
Cross-cutting issues		
6. We note with concern that, despite concerted global efforts in support of vaccine equity to date, the world will likely not achieve the target to vaccinate 70 percent of the population of every country by mid-2022 as outlined in the WHO Global COVID-19 Vaccination Strategy. We will take steps to ensure equitable access to vaccines and essential medical products and inputs in developing countries and remove relevant supply and financing constraints. We will support increasing vaccine distribution, administration and local manufacturing capacity in low and middle-income countries. We reiterate our support for the Access to COVID-19 Tools (ACT) Accelerator, including its COVAX Facility, the Coronavirus Treatment Acceleration Program (C-TAP), and other initiatives, which aim to accelerate development and production	We note with concern that, despite concerted global efforts in support of vaccine equity to date, the world will likely not achieve the target to vaccinate 70 percent of the population of every country by mid-2022 as outlined in the WHO Global COVID-19 Vaccination Strategy. We will take steps to ensure equitable access to vaccines and essential medical products and inputs in developing countries and remove relevant supply and financing constraints. We will support increasing vaccine distribution, administration and local manufacturing capacity in low and middle-income countries. We reiterate our support for the Access to COVID-19 Tools (ACT) Accelerator, including its COVAX Facility, the Coronavirus Treatment Acceleration Program (C-TAP), as well as a strong Waiver on the TRIPs Agreement, and other initiatives, which aim to accelerate development and production of and equitable access to	

	of and equitable access to COVID-19 diagnostics, therapeutics and vaccines to all countries. We further commit to help developing countries in their efforts to meet national immunization requirements, improve national health systems and health infrastructure, and strengthen pandemic prevention, preparedness and response, with a view to achieving universal health coverage.	COVID-19 diagnostics, therapeutics and vaccines to all countries. We further commit to help developing countries in their efforts to meet national immunization requirements, improve national health systems and health infrastructure, and strengthen pandemic prevention, preparedness and response, with a view to achieving universal health coverage	
7.	We reaffirm our commitment to increase quality, sustainable investments in essential public services for all, in particular for women and girls and marginalized groups, including health, education, energy and water and sanitation. We will strengthen our social protection systems to reduce inequalities, eradicate poverty, build resilience and reduce disaster risk, support just and inclusive transitions, and promote fair, equitable, inclusive and sustainable growth. We will expand investment in social protection floors as a percentage of gross domestic product in national budgets and extend child and gender-responsive social protection for all, including workers in the informal and emerging sectors of the economy or those who intend to reintegrate into the work force. We commit to improved and sex, disability and age -disaggregated monitoring of social protection coverage. We further commit to helping children catch-up on learning lost during the pandemic and recognize the need to address the lack of adequate financing for national education transformation efforts.	We will strengthen our social protection systems to reduce inequalities, eradicate poverty, build resilience and reduce disaster risk, support just and inclusive transitions and reintegration in labour markets, and promote fair, equitable, inclusive and sustainable growth and decent jobs creation. We will expand investment in social protection floors as a percentage of gross domestic product in national budgets and through enhanced development cooperation and extend child and gender-responsive-sensitive social protection for all, including workers in the informal and emerging sectors of the economy or those who intend to reintegrate into the work force	The pandemic implied more than 495 million equivalent full-time jobs lost. We thus need to include a clear commitment to jobs creation as part of the necessary recovery policies.

8. We emphasize the pandemic's asymmetric gender impacts, as evidenced by women's high rates of job loss and departure from the labour force, often due to care work, and increases in violence against women. We commit to massively scale up our efforts to achieve gender equality and the empowerment of all women and girls including through gender-responsive health, social and economic recovery programmes, especially with respect to COVID-19. We call for greater investments in social infrastructure and care economy, and to reduce, redistribute and value unpaid care and domestic work.		
9. We reaffirm the importance of accelerating the development, deployment and dissemination of technologies, and the adoption of policies to transition towards low-emission energy systems, including accelerating efforts towards the phasing-out of inefficient fossil fuel subsidies, recognizing the need for support towards a just transition. To reach the goals of the Paris Agreement, our policy mix toward carbon neutrality and net zero must be on the basis of equity, reflecting common but differentiated responsibilities and respective capabilities and should include a full range of fiscal, market and regulatory mechanisms including, if appropriate, the use of carbon pricing mechanisms and incentives.		
10. We emphasize the need to mobilize climate finance from all sources to reach	We emphasize the need to mobilize climate finance from all sources to reach the level	

the level needed to achieve the goals of the Paris Agreement, including significantly increasing support for developing countries, beyond $100 billion per year. We urge developed countries to fully deliver on the goal to mobilize jointly $100 billion per year urgently and through 2025, and emphasize the importance of transparency in the implementation of their pledges. We emphasize the challenges faced by many developing countries in accessing finance and encourage further efforts to enhance access to finance. We further urge developed countries to at least double their collective provision of climate finance for adaptation to developing countries from 2019 levels by 2025, in the context of achieving a balance between mitigation and adaptation in the provision of scaled-up financial resources. We will strengthen our efforts to increase adaptation finance, including through grant finance for developing countries, in particular those most vulnerable to the adverse impact of climate change.	needed to achieve the goals of the Paris Agreement, including significantly increasing support for developing countries, beyond $100 billion per year and in addition to the standing ODA commitments.	
~~11.~~ We will explore innovative platform approaches to coordinate, scale up, and channel public and private finance and technical assistance for sustainable, quality, accessible, and resilient infrastructure development and take note of the Coalition for Disaster Resilient Infrastructure and the draft Principles for Resilient Infrastructure. We call for greater action to deliver on the commitment in the Addis Ababa Action		

Agenda to strengthen the capacity of national and local actors to manage and finance disaster risk reduction as part of national sustainable development strategies.		
12. We resolve to address investment barriers, including high perceived and real risks related to sustainable investments in low- and middle-income countries and a lack of pipelines of bankable sustainable projects. In this regard, we stress the need for continued UN system-wide support to developing countries and resolve to take steps to deploy blended finance at scale, as appropriate, to utilize all infrastructure financing sources. We invite the Interagency-Agency Task Force on Financing for Development to further analyse, building on its 2022 report, how countries can use a mix of public and private finance to support inclusive and sustainable growth and development, as well as industrial transformation, and how the international community can support them in such efforts.	<u>However, we recognise the increasing challenges posed to governments' policy space to regulate even in the needs of development objectives and to critical financial resources from the International Investment Agreements (IIAs) and related Investor-to-State-Dispute-Settlement (ISDS) provisions given the increasing number of cases that are being brought by foreign investors on critical issues. We agree to launch a multilateral UN based process to reform and reorient these agreements and the ISDS model that will go beyond the current ISDS reform being undertaken at UNCITRAL and will implement a moratorium on such agreements until an outcome is reached.</u>	
13. We recognize the important role institutions play in shaping the conditions that affect financial flows and mobilization of capital for the implementation of the Sustainable Development Goals. We commit to support the implementation of integrated national financing frameworks to align financing policies and strategies with national investment priorities and sustainable development strategies, disaster risk strategies and sustainable		

development strategies consistent with the 2030 Agenda and the Paris Agreement long term goals.		
14. We recognize the importance of addressing the diverse needs and challenges faced by countries in special situations, in particular African countries, the least developed countries, landlocked developing countries and small island developing states, as well as the specific challenges faced by middle-income countries.		
Domestic Public Resources		
15. We recognize that domestic resources are first and foremost generated by economic growth, supported by an enabling environment at all levels. Sound social, environmental and economic policies, including countercyclical fiscal policies, adequate fiscal space, good governance at all levels, and democratic, and transparent institutions responsive to the needs of the people are necessary to achieve our goals.		
16. We recommit to strengthening the capacities of revenue administration through modernized, transparent, and progressive tax systems, improved tax policy and more effective tax collection. We call upon the international community to scale up support for related capacity building to countries, particularly developing countries, especially in building tax policy and administration capacity. We recognize that strengthening public financial	We recommit to enhancing ~~strengthening the capacities of~~ revenue administration through modernized, transparent, and progressive tax systems, improved tax policy and more effective tax collection. We call upon the international community to address the failings in international tax rules that allow multinational companies to separate their taxable profit from the location of their real economic activity. We will strengthen international cooperation to support efforts to build ~~scale up support for related~~ capacity	

management and budget execution can help maximize the effectiveness of government expenditure. We recommit to use the fiscal systems to reduce inequalities, align it with Sustainable Development Goals and strengthening the capacities of revenue administration.	~~building to countries, particularly~~ in developing countries, including through enhanced official development assistance (ODA)~~especially in building tax policy and administration capacity~~. We recognize that strengthening public financial management and budget execution can help maximize the effectiveness of government expenditure, and that tax is at the core of the social contract that allows people to hold their states accountable for inclusive and effective spending.	
17. We call for more concerted effort at all levels to strengthen international tax cooperation as a way to help build the trust and spur the transformations envisioned in the Addis Ababa Action Agenda and the 2030 Agenda for Sustainable Development to ensure no countries and no persons are left behind. We commit to scale up assistance for related capacity strengthening in order to maximise the ability of countries to share and receive tax information, especially for least developed countries.	We stress that ~~call for more concerted effort at all levels to strengthen~~ international tax cooperation should be universal in approach and scope as a way to help build the trust and spur the transformations envisioned in the Addis Ababa Action Agenda and the 2030 Agenda for Sustainable Development to ensure no countries and no persons are left behind. We commit to end inequalities in access to ~~scale up assistance for related capacity strengthening in order to maximise the ability of countries to share and receive~~ tax information, especially for least developed countries. We recognize with concern that there is still no single global inclusive forum for tax cooperation at the intergovernmental level.	Para 28 of AAAA: "We stress that efforts in international tax cooperation should be universal in approach and scope" Inequalities in access to tax information is not a capacity building issue but the fact that these OECD standards on information exchange are inappropriate for developing country contexts. The rules need to change.
18. We acknowledge that any consideration of tax measures in response to the digital economy should include a careful analysis of the implications for developing countries with a special focus on their unique needs and capacities. We note the diverse proposals in this area, including the work of the UN Committee of Experts on International Cooperation	We note the diverse proposals in this area, including the work of the UN Committee of Experts on International Cooperation in Tax Matters on a model tax treaty provision on taxation of automated digital services ~~and the ongoing work of the OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting~~.	

in Tax Matters on a model tax treaty provision on taxation of automated digital services and the ongoing work of the OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting.		
19. We recommit to preventing and combating illicit financial flows and strengthening the implementation of existing multilateral legal instruments for the purpose of asset recovery and return, through national efforts and international cooperation to combat illicit financial flows and promote good practices on assets return to foster sustainable development. We note the report of the High-level Panel on International Financial Accountability, Transparency and Integrity for Achieving the 2030 Agenda and its recommendations, for further consideration, as appropriate. We reaffirm our commitment to strive to eliminate safe havens that create incentives for the transfer abroad of stolen assets and illicit financial flows. We will implement our obligations to prevent and combat corruption, bribery and money laundering in all their forms enshrined in the existing international architecture, particularly those prescribed in the UN Convention against Corruption (UNCAC) and the UN Convention against Transnational Organized Crime. We are committed to identifying gaps and challenges in the implementation of UNCAC, as well as any gaps and challenges within the international anti-corruption framework.	We will implement our obligations to prevent and combat corruption, bribery and money laundering in all their forms enshrined in the existing international architecture, particularly those prescribed in the UN Convention against Corruption (UNCAC) and the UN Convention against Transnational Organized Crime. We are committed to identifying gaps and challenges in the implementation of UNCAC, as well as any gaps and challenges within the international anti-corruption framework. With a view to effectively addressing tax-related illicit financial flows, we commit to exploring the potential for a UN tax convention to address the many gaps and loopholes in the international architecture.	

Domestic and international private business and finance		
20. We will take concrete steps to incentivize and scale-up long-term affordable private finance for investments that contribute to the Sustainable Development Goals. We note that sustainable investment flows reached record levels in 2021, with the global outstanding amount of sustainability-labeled bonds now over $2.5 trillion. We recognize the emergence and importance of dedicated Sustainable Development Goals bonds, including bonds that prioritize gender equality to mobilize capital for women's empowerment. We recognize the constraints faced by developing countries in accessing investment products with sustainability features. We stress the need to strengthen capacity building support for countries, particularly developing countries, to integrate sustainable investment approaches in capital market development plans through regional and global approaches..	We will take concrete steps to incentivize and scale-up long-term affordable and responsible private finance for investments that contribute to the Sustainable Development Goals. We note that sustainable investment flows reached record levels in 2021, with the global outstanding amount of sustainability-labeled bonds now over $2.5 trillion. We recognize the emergence and importance of dedicated Sustainable Development Goals bonds, including bonds that prioritize gender equality to mobilize capital for women's empowerment. We also recognize the limitations of relying on capital markets as a source for long-term financing and the constraints faced by developing countries in accessing investment products with sustainability features. We stress the need to strengthen capacity building support for countries, ~~particularly developing countries,~~ to integrate sustainable investment approaches in capital market development plans ~~through regional and global approaches.~~. We commit to developing public policy options and regulations for private business and finance to serve sustainable development and promote structural transformation at the country level, especially those that would allow developing countries to produce high value-added goods and provide high-value added services.	
21. We note that while foreign direct investment (FDI) rebounded in 2021 by 77 per cent, it was uneven across regions and sectors with a modest 19 per cent in least developed countries (LDCs). We	We note that while foreign direct investment (FDI) rebounded in 2021 by 77 per cent, it was uneven across regions and sectors with a modest 19 per cent in least developed countries (LDCs). ~~We recognize that FDI~~ We	In promoting more FDI as such, benefits are assumed—that FDI "naturally" embodies transfer of capital and could support technology transfers. The outcome would benefit from qualifying investment

recognize that FDI can help commodity dependent countries transition to manufacturing activities and other higher value-added activities.	recognize that private investment that is regulated according to labor, social, and rights standards, and aligned with democratically-owned development plans, can help commodity dependent countries transition to manufacturing activities and other higher value-added activities while ensuring inclusive economic benefits.	quality. Previous studies, such as that of the UNCTAD in 2019, for instance looked at special economic zones in the global South, which were marked by "hard to detect" benefits amid limited local spillovers and gaps in labor, social, and environmental standards.
22. We further emphasize the private sector's role in advancing gender equality by ensuring women's full and productive employment and decent work, equal pay for equal work or work of equal value, and equal opportunities especially for women.	We further emphasize the private sector's role, especially of well-supported domestic firms such as small and medium enterprises, ~~private sector's role~~ in advancing gender equality. We recognize the need to address systemic barriers to ensuring women's economic rights, full and productive employment and decent work, equal pay for equal work or work of equal value, and equal opportunities especially for women.	
23. We call on regulators to adopt, apply or otherwise make use of globally consistent corporate sustainability reporting standards, including reporting on environmental, social and governance impacts, as appropriate, for privately-owned, state-owned and listed companies to allow policymakers, consumers and investors to integrate sustainability issues into their decisions. We note the International Sustainability Standards Board (ISSB) launched during COP26 and call for complementary policies to enhance the alignment of corporate reporting with the Sustainable Development Goals.	We call on regulators to adopt, apply or otherwise make use of globally consistent corporate sustainability reporting standards, including reporting on environmental, social and governance impacts, as appropriate, for privately-owned, state-owned and listed companies to allow policymakers, consumers and investors to integrate sustainability issues into their decisions. We recognize, however, that ESG investment strategies have their limitations as they are not designed to go beyond financial returns. We note the International Sustainability Standards Board (ISSB) launched during COP26 and call for complementary policies to enhance the alignment of corporate reporting with the Sustainable Development Goals. We recognize furthermore the need for developing mandatory business and human rights and environmental due diligence, and	

	accountability of business and human rights violations at a binding treaty level globally to ensure that business practices do not harm the enjoyment of human rights or environmental protection objectives.	
24. We stress the need for greater transparency, comparability, and reliability of data and methodologies to measure the impact of sustainable investment products. We call upon institutional investors to disclose the environmental and social footprint of and the physical risks within and created by their portfolios.		
25. We are concerned that remittance costs still remain far above the Sustainable Development Goal target of 3 per cent or lower. We further express our concern at the continued decline in correspondent banking relationships, due to de-risking trends, and its adverse consequences on low-value remittance flows. We will work on innovative ways to improve the access to, usage and quality of financial services to lower the cost of remittances, including through digital channels. We recommit to taking concrete actions to reduce the average transaction cost of migrant remittances by 2030 to less than 3 per cent of the amount transferred.		
International Development Cooperation		
26. We note that official development assistance (ODA) reached its highest level in 2020 during the unprecedented crisis and underscore that this trend should continue. We urge development partners to scale up and fulfill their ODA commitments, including the commitment	We note that official development assistance (ODA) reached its highest level in 2020 during the unprecedented crisis and underscore that this trend should continue. We urge development partners to scale up and fulfill their ODA commitments with new and additional resources, including the	Bringing back language on additional resources from Draft zero as inflation remains a major flaw in ODA reporting. New language on highly concessional finance is worse and can be misleading.

by many developed countries to achieve the target of 0.7 per cent of gross national income (GNI) and 0.15 to 0.20 per cent of ODA/GNI to the least developed countries. We emphasize the need for grant finance and highly concessional finance for vulnerable countries, such as least developed countries, landlocked developing countries and small island developing States.	commitment by many developed countries to achieve the target of 0.7 per cent of gross national income (GNI) and 0.15 to 0.20 per cent of ODA/GNI to the least developed countries. We emphasize the need for grant finance ~~and highly concessional finance~~ for vulnerable countries, such as least developed countries, landlocked developing countries and small island developing States. (new para) We call on providers of development assistance to steadily close the gap to the internationally agreed targets, including 0,7% of the ODA/GDP by 2030, with additional resources to match the growing demand for quality resources due to competing global crises. To realize the Agenda 2030's ambitions, we invite providers not to inflate their ODA volumes by reporting donations of Covid 9 in-excess doses, SDRs allocations, and spikes in in-donor refugee costs due to the on-going geopolitical crises.	
27. We welcome the continued effort to improve the quality, effectiveness, and impact of development cooperation and other international efforts in public finance, including adherence to agreed development cooperation effectiveness principles. We recognize the critical role of more risk informed and resilient international development cooperation in achieving the Sustainable Development Goals and addressing global crises, as highlighted by the 2021 High-level Meeting of the Development Cooperation Forum. We commit to support developing countries in strengthening their capacities at the		

national and local levels to manage and reduce risks, which entails developing institutional capacities for transitioning to sustainable development systems.		
28. We note the challenges faced by developing countries graduating to higher income per capita status that may lose access to concessional finance, particularly for graduating countries that are highly vulnerable to shocks and other disasters. We welcome the appointment by the President of the General Assembly of the High-Level Panel (HLP) of experts to finalize a multidimensional vulnerability index for small island developing States by the end of 2022. We look forward to transparent HLP deliberations that will periodically inform Member States on the work of the HLP and we encourage the international community to consider multidimensional vulnerability as criteria to access concessional finance.		
29. We further welcome the mapping exercise to be conducted by the Secretary-General to provide a detailed overview of the current support available to middle-income countries aimed at better addressing the multidimensional nature of sustainable development and facilitating sustainable development cooperation and coordinated and inclusive support to middle-income countries.		
30. We welcome the adoption by the UN Statistical Commission of the proposed new indicator 17.3.1 under Sustainable Development Goal target 17.3 "Mobilize		

additional financial resources for developing countries from multiple sources". We will continue to hold open, inclusive and transparent discussions on the modernization of ODA measurement and the new measure of "total official support for sustainable development" (TOSSD).		
31. We note the growing scale and scope of South-South Cooperation and triangular cooperation and its significant contributions to short-term pandemic response and long-term recovery. We welcome the development of an initial conceptual framework for South-South cooperation, which marks a breakthrough in its measurement and encourage further work in this regard.		
32. We call upon multilateral development banks to make the best use of their balance sheets in order to increase their lending, while preserving their rating and financial sustainability. We support the G20-commissioned independent review of multilateral development banks' capital adequacy frameworks and ongoing balance sheet optimization efforts to increase lending capacity.	We call upon multilateral development banks to make the best use of their balance sheets to maximize mechanisms for grant financing especially for vulnerable countries, instead of a reliance on lending amid the surge on global public debt. ~~in order to increase their lending, while preserving their rating and financial sustainability. We support the G20-commissioned independent review of multilateral development banks' capital adequacy frameworks and ongoing balance sheet optimization efforts to increase lending capacity~~	This section on MDBs is overly concerned with lending, while missing the big picture of current debt concerns and contrary to the need to prioritize grants.
33. We reiterate the call for the entities of the United Nations development system, in accordance with their mandates, to further explore financing strategies for the Sustainable Development Goals, including through innovative financing and blended finance, to respond to the unique situation of countries, especially	We reiterate the call for the entities of the United Nations development system, in accordance with their mandates, to further explore financing strategies for the Sustainable Development Goals, including ~~through innovative financing and blended finance~~, to respond to the unique situation of countries, especially those with special needs,	

those with special needs, and to share best practices in this regard. We will increase the scale and effectiveness of blended finance by focusing on need and the potential for development impact, including for least developed countries and small island developing States.	and to share best practices in this regard. We commit to protect the unique mandate of ODA flows to address poverty and inequalities. We acknowledge the challenges faced by blended finance, notably the unclear and unproven evidence of development impacts and the low levels mobilized for least developed countries, which have to be taken into account in considering financing options for sustainable development. ~~We will increase the scale and effectiveness of blended finance by focusing on need and the potential for development impact, including for least developed countries and small island developing States~~.	
International trade as an engine for development		
34. We will continue to promote a universal, rules-based, open, transparent, predictable, inclusive, non-discriminatory and equitable multilateral trading system under the World Trade Organization (WTO), as well as meaningful trade liberalization, supporting stronger economic growth, job creation, productivity gains and promoting sustainable development, by making international trade relations stable and predictable.	We will continue to promote a universal, rules-based, open, transparent, predictable, inclusive, non-discriminatory and equitable multilateral trading system under the World Trade Organization (WTO), as well as meaningful trade liberalization, supporting stronger economic growth, job creation, productivity gains, food & health security and promoting sustainable development, by making international trade relations stable and predictable that responds to the needs of developing countries and LDCs.	
35. We are concerned by the ongoing disruption in trade logistics that continues to hamper global value chains and the high cost of global supply chains. We call for ensuring the normal functioning of open markets and global supply chain connectivity and cross-border travel for essential purpose. We will take steps to enhance the movement	We are concerned by the ongoing disruption in trade logistics that continues to hamper global value chains and the high cost of global supply chains. We call for ensuring the normal functioning of open markets and global supply chain connectivity and cross-border travel for essential purpose. We will take steps to enhance the movement of goods, including medicines and foodstuffs and	

of goods, including medicines and foodstuffs and reduce trade costs. We will enhance the sustainability and resilience of supply chains that foster the sustainable integration of developing countries and promote inclusive economic growth, including through increased participation of micro-, small- and medium-sized enterprises in international trade and investment.	reduce trade costs. We will enhance the sustainability and resilience of supply chains that foster the sustainable integration of developing countries and promote inclusive economic growth, including through increased participation of micro-, small- and medium-sized enterprises, especially in developing countries and LDCs, in augmenting domestic production and contributing to international trade and investment.	
36. We recognize the need for immediate measures to address the ongoing challenges faced by vulnerable countries in enhancing international trade participation. We call for trade facilitation measures and other supportive trade and investment policies to build their productive capacities, promote value-addition and economic diversification, and address supply chain disruptions through targeted support.		
37. We are concerned about the widening trade finance gap between developed and developing countries and call for international cooperation to address trade finance access barriers, particularly for small and medium enterprises (SMEs), especially in the LDCs, including in bank regulations, regulatory compliance requirements, anti-money laundering regulations and the collection and dissemination of data.		
38. We welcome progress on the ratification and implementation of the WTO Trade Facilitation Agreement, without imposing additional burdens or obligations on developing countries.	We welcome progress on the ratification and implementation of the WTO Trade Facilitation Agreement (TFA) without imposing additional burdens or obligations on developing countries. However we want to call on developed countries to meet the	

	unfulfilled promise of financial and technical assistance to developing countries and LDCs for implementing the TFA.	
39. We reaffirm the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement) as amended, and also reaffirm the 2001 WTO Doha Declaration on the TRIPS Agreement and Public Health, which recognizes that the TRIPS Agreement should be interpreted and implemented in a manner supportive of the right of Member States to protect public health and, in particular, to promote access to medicines for all, and notes the need for appropriate incentives in the development of new health products, and recognizes that intellectual property protection is important for the development of new medicines.	We reaffirm the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement) as amended, and also reaffirm the 2001 WTO Doha Declaration on the TRIPS Agreement and Public Health, which recognizes that the TRIPS Agreement should be interpreted and implemented in a manner supportive of the right of Member States to protect public health and, in particular, to promote access to medicines for all, and notes the need for appropriate incentives in the development of new health products including a waiver from the TRIPS Agreement to facilitate technology transfer and therefore boost production of COVID-19 diagnostics, therapeutics and vaccines; transfer, distribution and access to technology; promoting public-funded research among others ~~and recognizes that intellectual property protection is important for the development of new medicines~~.	'as amended' is unclear. Is it to incorporate the TRIPS Waiver issue? If so, it needs to specifically explain it. This para assumes that incentives for development of new health products are created only by intellectual property protection, but empirically this causal link is not established by the literature. In addition IPR has triggered an inequity in vaccine development, for example discouraging innovation in neglected diseases which is prevalent among large populations in developing countries and LDCs. Further, this undermines the role of public funded research which has played an important role in the development of new health products and is particularly evident in the case of Covid-19 vaccines. The last line in particular needs to be deleted as it undermines developing countries' historical battle against control over technology that such IPRs give to MNCs, mostly located in developed countries. Such IPRs have resulted in higher prices through the creation of monopolies and has hindered access to medicine across developing countries and LDCs.
40. We welcome the convening of the fifteenth session of the United Nations Conference on Trade and Development under the theme "From inequality and vulnerability to prosperity for all", and		

the adoption of its outcome document entitled "Bridgetown Covenant".		
41. We will seek to identify relevant trade and investment policy actions that can contribute to the attainment of the goals of the Paris agreement and the climate and environmental goals of the 2030 Agenda. We acknowledge that reducing emissions worldwide would require a speedier transition to more efficient production and transport processes. We call upon the international community to continue supporting developing countries' capacity building in producing goods and services with low carbon footprints.	We will seek to identify relevant and multilaterally agreed trade and investment policy actions that can contribute to the attainment of the goals of the Paris agreement and the climate and environmental goals of the 2030 Agenda. We acknowledge that reducing emissions worldwide would require a speedier transition to more efficient production and transport processes. We call upon the international community to continue supporting developing countries' capacity building in producing goods and services with low carbon footprints including by the transfer of appropriate technology and finance. New para: We recognise that the current global political crisis is resulting in a fast-spiraling and simultaneous manifestation of food, economic and humanitarian crises through the price impact on food and energy products especially in developing countries, LDCs and other vulnerable countries. For LDCs and Net Food Importing Developing Countries (NFIDCs), we will endeavour to keep supply channels including transport systems open, allow financial payment channels to work for export of critical food and energy products, facilitate funding support & aid from global financial institutions and developed countries, and allow policy space to boost domestic production and food security.	
Debt and Debt Sustainability		
42. We are concerned that surging global public debt is compounding debt vulnerabilities that predated the		

pandemic. We note with concern that about 60 percent of least developed countries and other low-income countries are now assessed to be at high risk of or already in debt distress, while around a quarter of middle-income countries remain at high risk. We are further concerned that interest costs are rising in the poorest countries and remain elevated in small island developing States, as they grapple with higher interest rates, slower recoveries, credit rating downgrades, and persistent revenue shortfalls.		
43. We emphasize that debt financing can enable countries to respond to emergencies and fund long-term investments to achieve sustainable development. We reaffirm the need to assist developing countries in attaining long-term debt sustainability through coordinated policies aimed at fostering debt financing, debt relief and debt restructuring, as appropriate, and address the external debt of highly indebted vulnerable countries to reduce debt distress.		
44. We welcome the multilateral response to the pandemic, including the achievements under the G20 and Paris Club Debt Service Suspension Initiative (DSSI), while noting the lack of participation of private creditors and the uneven participation of other bilateral creditors.		
45. We acknowledge the ongoing implementation of the Common Framework for Debt Treatments beyond	(Add at the end) <u>We acknowledge that such enhancements in the Common Framework should not deter the necessary efforts to</u>	

the DSSI (Common Framework) and stress the importance of stepping up efforts to improve and implement the Common Framework in a timely, orderly and coordinated manner. We encourage the G20 and Paris Club creditors to discuss options for providing greater clarity on the timelines and process, and for implementing comparability of treatment of private and other official bilateral creditors, expanding support to vulnerable middle income countries, providing debt standstills throughout negotiations, and facilitating rapid recovery of capital market access following restructuring. We further call for enhancements to give more certainty to debtor countries and facilitate the IMF's and multilateral development banks' quick provision of financial support.	further improve the debt resolution architecture.	
46. We express concern that as monetary conditions tighten, more countries may be in need of debt resolution to safeguard critical expenditure and preserve prospects to invest in a sustainable recovery. We will work towards a more comprehensive solution to sovereign debt resolution challenges, including through the Common Framework, guided by the shared principles for debt resolution in the Addis Ababa Action Agenda.		
47. We welcome the analysis by the Inter-Agency Task Force on Financing for Development in its 2022 report of the potential use of the multidimensional vulnerability index for small island		

developing States' debt restructuring with the aim of building credit worthiness and expanding access to financing, including concessional financing, as called for by the intergovernmentally agreed conclusions and recommendations of the 2021 forum. We note its findings that high vulnerabilities, as reflected in a multidimensional vulnerability index, could contribute to the calibration of debt relief needed to restore sustainability in the context of debt restructuring.		
48. We acknowledge that debt transparency enables more effective debt management by debtors and better risk management by creditors, which are important tenets of responsible borrowing and lending principles. We call upon the international community to further (a) coordinate data collection processes; (b) provide support to strengthen debt management capacity, and (c) enhance debt transparency through actions by both creditors and debtors.		
49. We call upon the international community to strengthen inclusive dialogues and mechanisms on sovereign debt to advance the discussion on debt transparency and responsible lending and borrowing and the rules of engagement, including with the private sector.	We agree to establish an open-ended intergovernmental working group under the auspices of the UN ~~call upon the international community to strengthen~~ initiate inclusive dialogues ~~and mechanisms~~ with a view to establishing a binding, UN multilateral framework on sovereign debt crisis resolution, to advance the discussion on debt restructuring, debt cancellation, debt transparency, and responsible lending and borrowing and the rules of engagement, including with the private sector.	

Addressing systemic issues		
50. We call upon Member States with strong external positions to implement, in a timely manner, the voluntary channeling of special drawing rights to countries in need, including through the International Monetary Fund's Poverty Reduction and Growth Trust. We look forward to the expedited operationalization of the International Monetary Fund's Resilience and Sustainability Trust as a new mechanism to voluntarily channel special drawing rights to provide affordable long-term financing to low-income and vulnerable middle-income countries. We will continue to explore viable options to voluntarily channel special drawing rights through multilateral development banks and other prescribed holders.		
51. We acknowledge the important role of credit ratings in the capital market ecosystem, as they provide creditors with assessments of a debtor's relative risk of default, and note their influence on the availability, volume, cost, and stability of access to market financing. Inaccurate ratings can impact the cost of borrowing and the stability of the international financial system, as demonstrated during the 2008 global financial crisis. We call upon credit rating agencies to ensure that their ratings are objective, independent, and based on accurate information and sound analytical methods. We stress the importance of transparency of their methodologies and urge them to	We decide to establish a universal, intergovernmental ECOSOC commission to ensure coordinated action in regulating Credit Rating Agencies.	

separately publish the model-based and discretionary components of ratings, and to consider publishing long-term sovereign ratings to complement existing assessments.		
52. Rapid developments in digital financial technology, further accelerated by the COVID-19 pandemic, have transformed the provision of financial services and created a new ecosystem of digital assets. We recognize the relevance to carefully monitor domestic and global developments, review and update regulatory frameworks when necessary, and cooperate across sectors and borders to support enabling environments that take due account of risks, including those of tax avoidance, tax evasion and illicit financial flows to avoid revenue leakages and strengthen domestic resource mobilization, while still fostering competition and innovations in the financial system. We express concern that developing countries may be most affected by unintended consequences of digital assets, including effects of central bank digital currencies on capital flow volatility, currency substitution, and monetary policy space. We support efforts by global standard-setting bodies to rigorously examine the implications of central bank digital currencies as well as to support the ongoing international cooperation and coordination to develop appropriate designs for central bank digital currencies and regulatory frameworks for digital assets that address the potential benefits and risks to the global		

financial system. We call upon the Inter-Agency Task Force on Financing for Development to look more deeply into the issues of digital assets to analyse the implications for developing countries.		
Science, technology, innovation and capacity building		
53. We further recognize the contribution of digitalization to development while we remain concerned that the digitalization of the economy and the progress in science, technology and innovation to support a sustainable energy transition may create new risks and worsen inequalities if not carefully managed. We will redouble our efforts to ensure universal and affordable Internet access, digital skills training, and targeted policies for specific groups, including women and girls, youth, and persons with disabilities to close digital divides within and between countries and build an open, free and secure digital world. We encourage greater cooperation to implement the recommendations in the Secretary General's Road Map for Digital Cooperation and proposed Global Digital Compact.	~~We encourage greater cooperation to implement the recommendations in the Secretary General's Road Map for Digital Cooperation and proposed Global Digital Compact~~.	The proposal echoes the recommendation of the UNSG's High Level Panel of Experts on Digital Cooperation which was co-chaired by key personalities in global technology platforms (Big Tech). The Panel's recommendations, fully adopted by the UNSG in his Road Map for Digital Cooperation published in June 2020, revolve around the central role of the private sector in addressing the digital divide and harnessing the potentials of digital technologies. Instead of enabling the self-serving push from Big Tech, the UN should support inclusive member state-led processes to address the development divide that underpins the digital divide, to regulate and curb the growing powers and wealth of Big Tech and ensure that human rights are respected. To protect the integrity of decision making on the global governance of digitalization, measures against conflict of interest should be adopted similar to the ones at the WHO. To address the adverse consequences of digital technologies on society, the environment and people, the UN should establish a transparent and participatory global mechanism to evaluate new technologies.
54. We invite regulators and supervisors to build on financial technology to support		

financial inclusion while addressing growing risks, including from cyber incidents and digital fraud, by strengthening consumer protection and holding financial service providers accountable for safeguarding data.		
55. We stress that technology transfer and capacity building are among the core priorities of the developing countries in implementing the 2030 Agenda. We reiterate the need to accelerate the transfer of environmentally sound technologies on favourable terms, including on concessional and preferential terms, as mutually agreed. We emphasize the need to provide adequate and sufficient financing for the Technology Facilitation Mechanism and to the Technology Bank for Least Developed Countries with a view to achieving the goals established in the Addis Ababa Action Agenda.		
Data, monitoring and follow-up		
56. We commit to enhancing transparency and building a more complete information ecosystem to strengthen the ability of countries to manage risks and use resources well and in line with the Sustainable Development Goals.		
57. We recognize that the global crises of the COVID-19 pandemic and climate change have revived discussions on measures of sustainable development beyond gross domestic product. We note the upcoming update of the 2008 System of National Accounts and the ongoing work on the System of Environmental		

Economic Accounts (SEEA) through the United Nations Statistical Commission.		
58. We note with appreciation the Financing for Sustainable Development Report 2022 of the Inter-Agency Task Force on Financing for Development and request the Task Force to issue an advance unedited version of its 2023 report, no later than the end of February 2023, to be updated with the latest data upon its release, in order to facilitate the timely preparation of the draft conclusions and recommendations of the ECOSOC Financing for Development Forum.		
59. The United Nations and the forum on financing for development follow-up, in coordination with all relevant actors, have critical roles to play in harnessing and shaping international consensus in order to address the extraordinary crises. We particularly note the importance of finance ministers to support the full and timely implementation of the Addis Ababa Action Agenda.		
60. We support the Secretary-General's proposal for convening a biennial summit to promote a more sustainable, inclusive and resilient global economy. We underscore the importance of ensuring inclusivity in our discussions on macroeconomic and financial issues at the United Nations.	~~We support the Secretary-General's proposal for convening a biennial summit to promote a more sustainable, inclusive and resilient global economy. We underscore the importance of ensuring inclusivity in our discussions on macroeconomic and financial issues at the United Nations.~~	The proposal for convening a biennial summit to promote a more sustainable, inclusive and resilient global economy actually risks undermining the existing Financing for Development (FfD) process, that is already mandated to address issues of private finance, debt architecture, innovative financing, international tax and illicit financial flows, ODA and technology and financial regulation in a universal, intergovernmental process with a legitimacy spanning 20 years. IFIs, in addition to the WTO and UNCTAD, are already stakeholders in the FfD process.

		We find it unacceptable for the United Nations to promote structures that privilege a handful of member states (such as the G20) instead of reaffirming existing universal, inclusive processes. The proposal of the Biennial Summit reinforces both the lack of inclusiveness and the isolation of existing economic governance dynamics.
61. We decide that the 8th ECOSOC Forum on Financing for Development follow-up will convene from 24 to 27 April 2023 and will include the special high-level meeting with the Bretton Woods institutions, the WTO and the UNCTAD.		
62. We evaluated the need to convene a follow-up conference in a rapidly evolving global environment and agreed to consider having the Conference in 2024.	We evaluated the need to convene a follow-up conference in a rapidly evolving global environment and agreed to have ~~consider having~~ the Conference in 2024.	