First draft: Outcome document of the Fourth International Conference on Financing for Development
Inputs by Civil Society FfD Mechanism

21st March 2025

Quick links to thematic sections

Domestic Public Resources	Private Business & Finance	International Dev Cooperation	Trade
Debt & Debt Sustainability	Systemic Issues	Science, Technology & Innovation	Data, Monitoring & Follow-up

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

First draft	Alternative suggestion	Comments
I. A renewed global financing framework		
1. We, the Heads of State and Government and High Representatives, have gathered in Seville, Spain from 30 June to 3 July 2025 to put in place a renewed global financing framework for sustainable development. We uphold and will advance all commitments of previous international conferences on financing for development, as well as the commitments on financing and development in the Pact for the Future.		
2. We reaffirm our commitment to realize sustainable development, including effectively implementing the 2030 Agenda and upholding all principles enshrined in it. We also reaffirm that	2. We reaffirm our commitment to realize sustainable development, including effectively implementing the 2030 Agenda and upholding all principles enshrined in it. We also reaffirm that	

poverty in all its forms and dimensions, including extreme poverty, remains the greatest global challenge and its eradication is an indispensable requirement for sustainable development.	poverty in all its forms and dimensions, including extreme poverty resulting from systemic inequalities, and its gendered impacts, remains the greatest global challenge and its eradication is an indispensable requirement for sustainable development.	
3. We are meeting at a time of profound transformation, rising geopolitical uncertainty and growing systemic risks. Progress in achieving the Sustainable Development Goals is severely off track and we are running out of time to prevent catastrophic climate change. Inequalities within and between countries persist. There have been significant efforts by the international community to respond to recent multiple, interlinked crises. Despite these efforts, the gap between our development aspirations and financing dedicated to meet them has never been so large. The financing gap has widened significantly over the last five years, reaching around $4 trillion annually.	3. We are meeting at a time of profound transformation, rising geopolitical uncertainty and growing systemic risks. Progress in achieving the Sustainable Development Goals is severely off track and we are running out of time to prevent catastrophic ecological breakdown and climate change. Inequalities within and between countries persist. Groups facing intersecting forms of discrimination and inequalities are particularly impacted by current crises. There have been significant efforts by the international community to respond to recent multiple, interlinked crises. Despite efforts, the gap between our development aspirations and financing dedicated to meet them has never been so large. The financing gap has widened significantly over the last five years, reaching around $4 trillion annually, and not enough priority is given to reaching the most marginalised groups furthest behind.	
4. We cannot afford a retreat from multilateral cooperation. These global challenges far exceed the capacity of any single state to respond. They can only be effectively addressed through a strong commitment to multilateralism, international cooperation and global solidarity based on mutual respect, shared responsibility, and collective action.	4. We cannot afford a retreat from multilateral cooperation nor from fulfilling previously made commitments of international solidarity. These global challenges far exceed the capacity of any single state to respond. They can only be effectively addressed through a strong commitment to multilateralism, international cooperation and global solidarity based on mutual respect, shared responsibility, and collective action, in accordance with state' obligations, considering common but differentiated	Highly supported language that we suggest retaining in the text.

	responsibilities to address ecological integrity, climate change and sustainable development.	
5. We decide to launch an ambitious package of reforms and actions to catalyse sustainable development investment at scale to close this financing gap with urgency. We will mobilize additional and innovative financing from all sources, recognizing the comparative advantages of public and private finance. As finance is a means to achieve our common goals, not an end in itself, we will put sustainable development impact at the heart of these efforts.	5. We decide to launch an ambitious package of reforms and actions to catalyse sustainable development investment at scale to close this financing gap with urgency. We will mobilize additional and innovative financing from all sources, recognizing the comparative advantages of public and private finance reaffirming that a renewed global financing framework must prioritise public finance. As finance is a means to achieve our common goals, not an end in itself, we will put the realisation of all human rights, climate and biodiversity obligations, and sustainable development impact at the heart of these efforts.	
6. We commit to reform the international financial architecture, enhancing its resilience and effectiveness in responding to present and future challenges and crises. To better reflect today's realities, we commit to make global governance more inclusive and effective. We acknowledge the important role of the United Nations in global economic governance, recognizing the complementary mandates of international organizations, that make the coordination of their actions crucial.	6. We commit to reform and transform the international financial and economic architecture, to make it democratic, just and equitable, enhancing its resilience and effectiveness in responding to present and future challenges and crises, whilst centering equity and wellbeing throughout. To better reflect today's realities, we commit to make global governance more democratic, inclusive and effective. We acknowledge the important role of the United Nations in global economic governance. Thereby we commit to uphold and strengthen rules- and human rights-based approaches, while respecting each country's policy space to pursue sustainable development ~~recognizing the complementary mandates of international organizations, that make the coordination of their actions crucial.~~	
7. We will take action to combat inequalities within and between countries, and invest in people's wellbeing.	7. We will take action to combat inequalities within and between countries, acknowledging that structural inequalities, including those based on	

	race, ethnicity, gender, and intersectionality, severely impact sustainable development, ~~and~~ invest in people's and planetary wellbeing, and ensure meaningful engagement of rights holders in the development process.	
8. We commit to close financing gaps in the provision of essential public services, including health, education, energy, water and sanitation, and building social protection systems.	We commit to cutting back on austerity policies as we aim to close financing gaps and scale-up public investments in the provision of ~~essential~~ public services, including health, education, energy, water and sanitation, care, ICT, and building social protection systems, including social protection floors, to the maximum of our available resources, in accordance with human rights law and standards with no retrogression or back-sliding in times of crisis. We will urgently increase our collective efforts and actions for a large-scale investment for sustainable, equitable, and human rights-based development. We commit to close financing gaps and scale-up public investments in the provision of public services, including health, care, education, energy, water and sanitation, ICT, and building universal social protection systems. 8bis. It is imperative to urgently and systematically address the funding shortfalls in care, education and health as key drivers of sustainable development. We commit to respecting and fulfilling such rights through allocating adequate financing to ensure universal, inclusive, equitable and quality public education systems and infrastructure for all, throughout the life course. We will also increase adequate financing for the promotion, respect, protection, and fulfillment of the right to the enjoyment of the highest attainable	Comment: ambition has been significantly reduced - which is really concerning at this stage. Suggestion to re-add some of the previous substance and urgency. Rational for addition: care services are not included in typical categories such as health or education. Daycares, centers for older people should be addressed in the provision as well. References to education and health throughout the FFD4 Rev.1 have been streamlined and diluted. Without substantive, adequate and sustainable financing for education and health systems, development will be impeded. Therefore, we suggest the re-introduction of a paragraph on education and health based on paragraph 18 of the Zero Draft, as well as paragraphs (g) and (f) of the Beijing+30 Political Declaration, adopted by consensus on 10th March 2025. States have an obligation under ICESCR to mobilize the maximum available resources for social protection, ensuring progressive financing and long-term economic stability.

	<u>standard of physical and mental health for all, including sexual and reproductive health and rights, throughout their life course and without discrimination of any kind, towards the achievement of universal health coverage, including safe, available, affordable, accessible, quality and inclusive health care and services. We commit to ensuring gender-responsive approaches and urge the international community to enhance support to achieve these commitments to education and health.</u>	
9. We will address the diverse needs and challenges faced by countries in special situations, in particular African countries, the least developed countries (LDCs), landlocked developing countries (LLDCs) and small island developing States (SIDS), as well as the specific challenges faced by middle- income countries and countries in conflict and post-conflict situations. We reaffirm our commitments and support to fully implement the relevant development agendas, strategies and programmes of action for countries in special situations.		
10. While each country has primary responsibility for its own economic and social development, national development efforts need to be supported by an enabling international economic environment. We commit to align international support with national strategies, plans and frameworks and will respect each country's policy space to pursue sustainable development.	10. While each country has primary responsibility for its own economic and social development, national development efforts need to be supported by an enabling international economic environment. We commit to align international support with national strategies, plans and frameworks and will respect each country's policy space to pursue sustainable development <u>while also holding States accountable to their extraterritorial obligations</u>.	
11. We reaffirm the imperative of gender equality and the empowerment of women and girls and	11. We reaffirm the imperative of <u>achieving</u> gender equality and the empowerment of <u>all</u> women and	Highly supported language that we strongly suggest retaining in the text.

will ensure full and equal enjoyment of all their human rights and fundamental freedoms. Gender equality brings proven economic benefits and have the potential to contribute to financing for development. We commit to mainstream gender equality and promote gender-responsive solutions across the financing for development agenda. We will increase investment in the care economy and recognize, value, and equitably redistribute the disproportionate share of unpaid care and domestic work done by women.	girls in their diversity and will ensure full and equal protection, promotion, respect and enjoyment of all their human rights and fundamental freedoms. Achieving gender equality is essential to meeting all SDGs with the pledge to Leave No One Behind, and is an essential prerequisite to sustainable development. Gender equality brings proven economic benefits and has the potential to contribute significantly to financing for development, this is why we commit to integrate a focus on equity and gender equality across the FFD agenda. We commit to implement and institutionalize mainstream gender equality across macro-economic priorities, and will accelerate progress on gender equality by building and financing the care economy and financing the transition to green economies with gender equality at its heart. We will promote gender-transformative and care centred solutions across the financing for development agenda, and across all dimensions of sustainable development, inter alia, all fiscal and monetary policies and development financing, including through prioritizing gender responsive investments and introducing incentives to address gender and intersecting disparities. We will increase prioritize public investment in the care economy and support for unpaid caregivers, and recognize, value, and equitably redistribute the disproportionate share of unpaid care and domestic work done by women and girls towards the public sector. We will promote access to flexible, sustainable and long-term funding and capacity-building, to promote close cooperation between rights holders, civil society and decision makers, in the context of promoting gender equality and the empowerment of all women and girls.	Rationale for additions: Explicit suggestion for integrating a gender-lens across macro-economic priorities, and added in explicit language of specific commitments to care and the green transition financing with gender at its heart. Adding 'achieving' and 'all' in the first line is in line with the standard formulation of SDG5 and strengthens the tone of the text. The addition of the formulation of 'protection, promotion, respect' is in line with standard agreed language formulations of realising human rights. The addition of 'online and offline' is important to ensure that has technology develops and is used, that human rights are protected, promoted, and respected. The sentence 'Achieving gender equality is essential to meeting all SDGs and is an essential prerequisite to sustainable development' is verbatim from the Zero Draft and strongly suggested its re-insertion into this paragraph. The addition of 'and across all dimensions of sustainable development, inter alia, all fiscal policies and development financing, including through prioritizing gender responsive investments and introducing incentives to address gender disparities' is based on and

	11bis. The inclusion of migrants and displaced women and girls needs to be mainstreamed, as gender inequalities are deepening because women and girls disproportionately bear the economic downturn and increased debt burden, resulting in job losses and increase in unpaid care work.	mostly verbatim from the Zero Draft and strongly suggest its re-insertion into this para. The addition of 'and girls' with regards to unpaid care work is important because girls also face the burden and impacts of this. Responding to and investing in the specific needs of girls is crucial for accelerating gender equality. The addition of 'We will promote access to flexible, sustainable and long-term funding and capacity-building, to promote close cooperation between civil society and decision makers, in the context of promoting gender equality and the empowerment of all women and girls.' is verbatim from the Beijing+30 Political Declaration operative paragraph (p), which was adopted by consensus on March 10th 2025. We strongly suggest the addition of this language to ensure that the gains from the Beijing+30 deliberations are pushed forward in the FFD4 outcome document.
12. We reaffirm that the effective, efficient and transparent mobilization and use of resources must be enabled by freedom, human rights, including the right to development, and national sovereignty. Promoting peaceful and inclusive societies is integral to creating an enabling environment for sustainable development. We commit to developing effective, accountable, and inclusive governance systems and democratic institutions at the subnational, national and international levels and ensuring responsive, participatory and representative decision-making at all levels.	12. We reaffirm that the effective, efficient and transparent mobilization and use of resources must be enabled by and aligned with fundamental freedoms, and contribute to the realization of human rights, including the right to development, and national sovereignty and align with states' human rights obligations with regard to international cooperation and the use of their maximum available resources. We reaffirm that inclusive governance must actively combat racism, xenophobia, and all forms of discrimination. Promoting peaceful and inclusive societies is integral to creating an enabling environment for sustainable development. We commit to	Human rights require resources for their realization. To guarantee rights, States must have solid institutions that mobilize, allocate, and utilize sufficient public resources in ways that are transparent, participatory, and accountable. This must be done in compliance with the principles established in the Universal Declaration of Human Rights and the norms included in the main international and regional human rights treaties. Human rights are indivisible and civil and political rights already cover the concept of "freedom".

	developing effective, accountable, human rights-based and inclusive governance systems, democratic institutions, and accountability mechanisms at the subnational, national and international levels and ensuring responsive, transparent, participatory and representative decision-making at all levels.	The migration crisis presents us with a systematic challenge with global, regional and local consequences, requiring structural and multilateral solutions. Therefore, we re-affirm the need to address links between the currents social and economic system and the damage we are witnessing
13. We will foster transparency, accountability, rule of law, good governance and sound policies at all levels. We commit to integrate anti-corruption as a cross-cutting issue to enhance public trust, reduce inequalities, ensure fair domestic resource allocation and increase private investments and economic growth. We will prevent and combat corruption, and call on the international community to support anti-corruption capacity-building efforts and promote the exchange of best practices.	We will foster transparency, accountability, rule of law, good governance and sound policies at all levels, including stronger regulations on corporate accountability. We commit to integrate anti-corruption as a cross-cutting issue into all dimensions of financing for development to enhance public trust, reduce intersecting inequalities, ensure fair domestic resource allocation and increase ~~private~~ public investments and an economic transformation aligned with climate and environmental commitments. We will prevent and combat corruption, upholding our international commitments, and call on the international community to support anti-corruption capacity-building efforts and promote the exchange of best practices, as well as to ensure an enabling environment for civil society to contribute to anti-corruption efforts.	Suggestion: add language on resource mobilisation and equity, e.g.: "ensure progressive taxation and public resource mobilisation and equitable and fair allocation that reaches the most marginalised groups, including women and girls."
14. We recognize the contributions of multi-stakeholder engagement to sustainable development. We will continue to collaborate meaningfully with the private sector, civil society, the scientific community, academia, philanthropy and foundations, the media, and all other stakeholders and encourage multi-stakeholder collaboration and partnerships.	14. We recognize the contributions of multi-stakeholder engagement to sustainable development. We will continue to collaborate meaningfully with the private sector, civil society, women, young people, migrants and displaced, the scientific community, academia, philanthropy and foundations, the media, and all other stakeholders and encourage multi-stakeholder collaboration and partnerships, alliances and opportunities to support our efforts to achieve these commitments.	The addition of ', alliances and opportunities to support our efforts to achieve these commitments' is verbatim from para 9 of the Zero Draft. We strongly encourage its re-insertion and retention.

15. We reaffirm our commitment to foster innovation, financial literacy and digital capacity building, particularly for youth to enhance their contributions.	15. We reaffirm our commitment to foster inclusive innovation, financial literacy and digital literacy and capacity building, particularly for youth to enhance their contributions.	
16. We will invest in productive sectors and the creation of decent and productive jobs, to ensure that all people benefit from inclusive and sustainable economic growth. We will promote entrepreneurship, particularly among women and youth, and facilitate the growth of micro, small and medium enterprises (MSMEs).	16. We will invest in productive sectors and the creation of decent work and ~~productive~~ jobs, promote, respect, protect and fulfill all rights to work and rights at work, in line with obligations under International Labour Organization standards and conventions. We will enhance full access to and equal opportunities in the labour market and decent work, taking effective action against discrimination - including those based on maternity, violence and harassment in the world of work, enforcing labour rights, including the right to organize and bargain collectively, promoting equal pay for work of equal value, providing social security, supporting the transition from informal to formal work in all sectors, adopting all necessary measures to reduce labour market segregation, and closing the gender-pay and pension gaps. To ensure that all people benefit from inclusive and sustainable economic growth. We will promote social and community entrepreneurship, particularly among women and youth, and facilitate the growth of micro, small and medium enterprises (MSMEs) including social and solidarity economy (SSE) entities.	The addition of the sentences at the end are based on the Beijing+30 Political Declaration operative paragraph (a), adopted by consensus on March 10th 2025. These additions on labour standards, tackling discrimination, social security, transition of work, labour market segregation, and the gender-pay and pension gap are important to include here as prerequisites to ensuring decent work and economic empowerment.
17. We commit to support developing countries, particularly LDCs, LLDCs and SIDS, to develop quality, reliable, resilient and sustainable infrastructure. The significant infrastructure gap in critical sectors such as energy, transport, information and communications technologies, water and sanitation severely constrain access to essential services, employment opportunities,	17. We commit to support developing countries, particularly LDCs, LLDCs and SIDS, to develop quality, reliable, resilient and sustainable infrastructure. The significant infrastructure gap in critical sectors such as energy, transport, information and communications technologies, water and sanitation severely constrain access to ~~essential~~ public	

economic growth and sustainable development, especially in developing countries.	services including health and care, employment opportunities, economic growth and sustainable development, especially in developing countries.	
18. We recognize that we are falling short in tackling climate change, biodiversity loss and ecosystem degradation. We recognize the primacy of the United Nations Framework Convention on Climate Change, the United Nations Convention on Biological Diversity, and the United Nations Convention to Combat Desertification and reaffirm the respective commitments and obligations under these conventions and their respective agreements. We also reaffirm the commitments under the United Nations Convention on the Law of the Sea and its agreements.	18. We recognize that we are falling short in tackling climate change, biodiversity loss and ecosystem degradation and we re-affirm our commitment to the full realization of the right to a clean and healthy environment. We recognize the primacy of the United Nations Framework Convention on Climate Change, the United Nations Convention on Biological Diversity, and the United Nations Convention to Combat Desertification and reaffirm the respective commitments and obligations under these conventions and their respective agreements. We also reaffirm the commitments under the United Nations Convention on the Law of the Sea and its agreements. We also reaffirm our commitments around environmental integrity in relevant United Nations entities and treaties, which are all needed to ensure that the Earth System remains within the safe space of planetary boundaries.	As a cross-cutting issue, we welcome that the FfD first draft acknowledges the importance of environmental and climate agenda in the face of the ecological breakdown, which has been caused by anthropocentric activity under the current economic system. The FfD outcome needs to have an encompassing framing of all the environmental agendas and not cherry pick on some, especially to ensure the Earth System remains within the safe space of planetary boundaries. For this, member states need to reaffirm and fulfill its commitments around environmental integrity in relevant United Nations entities and treaties of international law. It is important to promote ecological, equitable and just transitions.
19. We recognize that high quality data and statistics are foundational for informed financing for development decision-making, transparency, accountability and resource allocation. We will support programmes aimed at strengthening national data collection and statistics, especially on sustainable development.	19. We recognize that collecting and using high quality, sex-, age- , race- and disability disaggregated data according to human rights commitments and statistics are foundational for informed financing for development decision-making, transparency, accountability and resource allocation. We will support programmes aimed at strengthening national data collection and statistics, including citizen-generated data, especially on sustainable development.	
20. This renewed global framework for financing for development that we adopt in Seville will unlock and mobilize access to additional and	This renewed global framework for financing for development that we adopt in Seville will unlock and mobilize access to additional and innovative	

innovative financial resources, support the reform of the international financial architecture to close the financing gap with urgency, and guide our efforts towards a financing for development agenda that will help realize sustainable development. We commit to take the following actions.	financial resources, support the reform and transformation of the international financial architecture to close the financing gap with urgency, and guide our efforts towards a financing for development agenda that will help realize inclusive and sustainable development and the pledge to Leave No One Behind. We commit to take the following actions.	
II. Action areas **II. A. Domestic public resources**		
Summary and key takeaways • The key focus of the UN Financing for Development process should be on international cooperation. Significant parts of the text still seem strongly focused on national policies in developing countries, and is highly prescriptive. These sections should be reoriented towards international cooperation. • Given that developed countries also have significant problems with tax systems that are very ineffective and regressive, "capacity building" of developing countries will not solve the fundamental problems. • Governments should focus on promoting international tax cooperation to address the systemic issues at the global level, including through the negotiation of a UN Framework Convention on International Tax Cooperation. Therefore, all governments should seize the opportunity FfD4 provides for unified commitment to this UN process by explicitly endorsing the adopted Terms of Reference for this framework convention in the FfD4 outcome document. • In terms of ensuring that national tax systems are progressive, effective and gender just, this is an issue which all governments should commit to.		
21. Public resources, policies and plans will be at the heart of our efforts for a sustainable development investment drive. The Addis Ababa Action Agenda emphasizes the central role of domestic public resources in financing sustainable development. Despite notable tax revenue increases in many developing countries in the first decade of the 21st century, recent years have seen stagnation and setbacks, amidst weak global economic growth and challenging macroeconomic conditions. Mobilizing additional public resources and ensuring their effective use for sustainable development impact will require decisive national action to strengthen fiscal systems and align them with sustainable development. In a globalized and increasingly digitalized world, such domestic	21. Public resources, policies and plans will be at the heart of our efforts for a sustainable development investment drive to full potential. The Addis Ababa Action Agenda emphasizes the central role of domestic public resources in financing sustainable development. Despite notable tax revenue increases in many developing countries in the first decade of the 21st century, such increases were mainly based on regressive indirect taxes, and furthermore, recent years have seen stagnation and setbacks, amidst weak global economic growth and challenging macroeconomic conditions. Mobilizing additional public resources and ensuring their effective use for sustainable development impact will require decisive national action to strengthen progressive fiscal systems and	

efforts must be complemented by international cooperation, including through enhanced international tax cooperation and robust measures to prevent and combat illicit financial flows and corruption. National development banks also have a crucial role in mobilizing investments for sustainable development.	align them with sustainable development and the priorities of citizens, especially the most marginalized. In a globalized and increasingly digitalized world, such domestic efforts must be complemented by international cooperation, including through enhanced international tax cooperation and robust measures to prevent and combat illicit financial flows and corruption. National development banks also have a crucial role in mobilizing investments for sustainable development.	
22. To ensure that countries have the necessary resources, and that they are collected and spent transparently and in alignment with sustainable development: Transparency and accountability in fiscal systems a) We commit to adopt a whole-of-government approach to strengthen tax systems and ensure transparency and accountability in public financial management. b) We will promote budget transparency, accountability and efficiency, including by enhancing oversight, implementing transparent procurement systems, as well as strengthened, resourced, independent and professional supreme audit institutions and parliamentary oversight. We also encourage the enhancement of oversight and management of tax expenditures, as well as minimum standards for tax expenditure reporting. Alignment of fiscal systems with sustainable development c) We commit to align budgets with sustainable development, including through country-led plans and strategies such as Integrated National Financing Frameworks (INFFs), with	22. Many fiscal systems are not sufficiently aligned with sustainable development, and are yet to take gender, racial and climate considerations into account. Enhancing fiscal systems through strengthened governance, progressivity in tax policies, transparent, inclusive and responsive budgeting and capacity development will strengthen trust between governments and all people, and especially the most marginalized. To ensure that countries have the necessary resources, and that they are collected and spent transparently and in alignment with sustainable development: Transparency and accountability in fiscal systems a) We commit to adopt a whole-of-government approach to strengthen tax and spending systems and ensure progressiveness, transparency, inclusivity, participation and accountability in public financial management. b) We will promote budget transparency, accountability and efficiency with a view to ensuring the achievement of the SDGs, including by strengthening budget reliability, enhancing oversight, implementing open, data-driven	22. Inputs based on text that was previously included in the Zero Draft but has been deleted. a) The suggestion is to include a reference to civil society participation in the monitoring and oversight of public finances, including budgets and procurement. b) It should be mentioned not only from the angle of compliance with transparency and integrity requirements, but as a strategic function towards the achievement of the SDGs, and the importance of involving civil society should be recognized.

countries choosing the best policies for their economies. d) We encourage the broadening of the tax base and continuing efforts to integrate the informal sector into the formal economy in line with country circumstances, including by harnessing technology and innovation, investing in digital public infrastructure, by reducing the cost of compliance and through providing appropriate incentives. e) We commit to ensure progressivity and efficiency across fiscal systems to address inequality and increase revenue. We will promote effective, equitable and socially just government spending. We will also promote and strengthen progressive tax systems and the taxation of high-net-worth individuals, supported by international cooperation, while respecting national sovereignty. f) We commit to effective taxation of natural resources that optimize domestic revenue from natural resource rents. g) We will promote budgeting and taxation that are gender-responsive, in line with countries' national strategies, priorities and circumstances. To achieve this, we will develop and enhance methodologies and tools for designing, monitoring and evaluating budget and tax policies with a gender perspective, alongside capacity development. h) We encourage the consideration of environment and climate in fiscal programming in line with national circumstances and the stage of economic development. Options may include, but are not limited to, green budgeting, taxation and	transparent and inclusive procurement systems, including by ensuring participation of civil society in monitoring budget allocation, of public procurement and expenditure processes, as well as strengthened, resourced, independent and professional supreme audit institutions and parliamentary oversight. We also commit to ~~encourage the~~ enhancement of oversight and management of tax expenditures, including as a part of the negotiations towards a UN Framework Convention on Tax, as well as to implement minimum standards for tax expenditure reporting. We will adopt an "open by default" approach, supported by strong and clear standards for disclosure of open, structured, and interoperable data across the entire public financial management cycle. Alignment of fiscal systems with sustainable development c) We commit to align fiscal policies and budgets with sustainable development, including towards meeting international commitments on ODA and climate finance by Global North countries. Budgets, procurement and public policies should be based on a human rights and gender perspective to ensure the optimal use of resources and establish mechanisms for enforceability and accountability, including through civil society participation. Budgets should reflect a strong commitment towards achieving the SDGs, and provide a legislative context that promotes transparency within financial systems ~~including through country-led plans and strategies such as Integrated National Financing Frameworks (INFFs)~~, with countries choosing the best policies	c) INFFs is a tool to domesticate FfD agenda into implementation in developing countries only. It is a tool to distract from the 'international cooperation' aspects of FfD and can be used by developed countries as an ODA conditionality. Important to highlight the budget work needed by Global North countries to meet their international commitments.

fiscal rules, carbon pricing, and taxes on environmental contamination and pollution. i) We reaffirm the commitment to rationalize inefficient subsidies, and to phase out inefficient fossil fuel subsidies that do not address energy poverty or just transitions, as soon as possible, while taking different national circumstances, pathways and approaches into account. j) We encourage countries to integrate the financing of social protection floors aligned with International Labour Organization recommendations into their country-led plans and strategies and will support countries that aim to increase social protection coverage by at least two percentage points per year. Capacity support k) We will scale up demand-based institutional, technological, and human capacity-building support to developing countries for fiscal systems and domestic resource mobilization. This includes support for broadening tax bases; integrating the informal sector into the formal economy; and strengthening tax policy, tax administration, and public financial management. l) We commit to enhance support to developing countries for country-led efforts to modernize revenue administration, especially the digitalization of tax administrations, investment in information technology systems, the improvement of data and statistics and the use of artificial intelligence. m) We will provide support to countries that seek to increase their tax-to-GDP ratios. We call on development partners to double their support for domestic revenue mobilization and public	for their ~~economies~~ national development in accordance with human rights. We commit to developing public services and social protection for all in accordance with human rights law, international labor standards and development goals. d) In accordance with states obligations to allocate the maximum available resources for the realization of economic, social, and cultural rights, ~~W~~we encourage the broadening of the tax base in a fair and equitable manner and while ensuring progressivity of fiscal systems, and continuing efforts to integrate the informal sector into the formal economy, including informal paid care and domestic work, and in line with the ILO's criteria for decent work as well as human rights law and international labor standards, and taking into account ~~in line with~~ country circumstances, especially in the case of undeclared workers as well as international tax abuse, including by harnessing technology and innovation, investing in digital public infrastructure, by reducing the cost of compliance and through providing appropriate incentives and formalizing employment with good contracts and social security. e) We commit to ensure progressivity and efficiency across national and international fiscal systems to address inequality within and between countries and increase revenue. We will promote effective, equitable, progressive, gender responsive and socially just government spending. We will also ensure ~~promote and strengthen~~ progressive gender responsive tax systems, including by ensuring a fair allocation of taxing rights between	e) The issue of progressive tax systems is important, and should be a key topic in the negotiation of a UN Framework Convention on Tax. In terms of taxation of high-net worth individuals, the UN Tax Convention ToR makes it clear that this shall be an element of the Convention. This debate should not be reopened.

financial management by 2030. We will also provide targeted support for countries aiming to reach tax-to-GDP ratios of at least 15 per cent, which is an indicative level above which it is more likely that countries will be able to meet spending needs while ensuring fiscal stability and supporting sustainable development. Subnational finance n) We will strengthen subnational finance where appropriate by enhancing local authorities' technical, technological and human resource capacities; diversifying revenue and financing sources, including the development of municipal bond markets as applicable; and promoting stable and transparent intergovernmental financial transfer systems and equalization mechanisms. o) We will support national and local governments to prioritize and strengthen their policies, strategies, and practices to implement effective infrastructure asset development and management over the lifecycle of assets and mobilize revenues as appropriate.	countries, reversing the reliance on regressive indirect taxes, ensuring beneficial ownership transparency and the taxation of high-net-worth individuals, supported by international tax cooperation, including effective tax abuse prevention measures, as a part of the new UN Framework Convention on International Tax Cooperation~~, while respecting national sovereignty~~. f) We commit to effective taxation of natural resources that optimize domestic revenue from natural resource rents, including taking into consideration environmental, social and governance (ESG) impacts, and by addressing international tax abuse related to the extractive sector as a part of the negotiations towards a UN Framework Convention on Tax. We will also ensure mineral beneficiation with complete value chain to enable rich resource countries to effectively benefit from their natural resources. g) We will take concrete steps to promote budgeting and taxation that are gender-just and responsive, including through progressive tax systems and in line with countries' national strategies, priorities and circumstances. To achieve this, we will develop and ~~enhance~~ implement methodologies and tools for designing, learning, monitoring and evaluating budget and tax policies with a gender perspective that is intersectional and inclusive of all women, alongside capacity development. We will also ensure that the issue of tax and gender equality is clearly integrated into the future UN Framework Convention on International	In terms of national sovereignty: There was a lengthy debate about national sovereignty during the negotiation of the ToR, and the ToR now includes a reference to national sovereignty, but it's very problematic to lift that one element out of the ToR and into the FfD draft where the context that the ToR provides is missing. Rather than reopening this discussion, FfD should simply state that governments endorse the ToR for the UN Tax Convention. f) The issue of taxation of extractive industries is important, and should be a key topic in the negotiation of a UN Framework Convention on Tax. g) Regressive tax systems exacerbate gender inequalities among other inequalities. Ensuring progressive tax systems is a key commitment that governments must take on, including to promote gender-responsive taxation. Governments must also commit to include the issue of tax and gender equality in the new UN Framework Convention on International Tax Cooperation.

	Tax Cooperation. Furthermore, we will expand efforts to incorporate the voices and priorities of all marginalized groups, ensuring fiscal systems are inclusive and equitable. h) We resolve to applying ~~encourage~~ the consideration of environment and climate protection in fiscal programming in line with national circumstances and the stage of economic development, and with the aim of ensuring the full implementation of the Paris Agreement, while avoiding negative distributional impacts and fully respecting and reinforcing the principle of common but differentiated responsibilities and the global commitment to reduce inequalities both within and between countries. We commit to ensuring that climate policies and financing mechanisms prioritize social equity and protect vulnerable communities, including women, children, indigenous peoples, and low-income populations. This includes supporting just transitions for workers and communities affected by climate mitigation and adaptation efforts. ~~Options may include, but are not limited to, green budgeting, taxation and fiscal rules, carbon pricing, and taxes on environmental contamination and pollution.~~ i) We reaffirm the commitment to rationalize inefficient subsidies, and to phase out inefficient fossil fuel subsidies that do not address energy poverty or just transitions, as soon as possible, while taking different national circumstances, pathways and approaches into account and ensuring full adherence to commitments related to development and reducing inequalities. Regressive incentives provided through other means,	h) Any reference to climate measures should include explicit reference to CBDR. It is also important to ensure that climate policies to not exacerbate economic inequalities. In terms of specific options, the text should not be overly prescriptive since this goes against the idea of respecting differences in national circumstances and levels of development. i) It is important to ensure that the phase out does not exacerbate economic inequalities or undermine development.

	including Special Economic Zones, should also be phased out. j) We encourage countries to integrate the financing of social protection floors aligned with International Labour Organization ~~recommendations~~ standards into their country-led plans and strategies and will support countries that aim to increase social protection coverage ~~by at least two percentage points per year~~. j bis) We commit to integrate racial equity considerations into fiscal systems, ensuring that public budgets and tax policies address structural inequalities faced by Afro descendant and other marginalized communities. j ter) Ensure that taxing rights or revenues from new taxes, including taxes on high-net worth individuals and environmentally related taxes, are fairly shared across countries and devoted to reducing inequalities between and within countries, as well as the achievement of climate justice, sustainable development, including in marginalized communities, and the progressive realization of human rights. j quater) Support an enabling environment for civil society organizations to mobilize citizens and actively monitor tax policies, budget allocation, public procurement, and expenditure processes. Capacity support k) ~~We will scale up demand-based institutional, technological, and human capacity-building support to developing countries for fiscal~~	j) This is important, but the support should not be linked to specific conditionalities.

	~~systems and domestic resource mobilization. This includes support for broadening tax bases; integrating the informal sector into the formal economy; and strengthening tax policy, tax administration, and public financial management.~~ Inclusive and effective participation in international tax cooperation requires procedures that take into account the different needs, priorities and capacities of all countries to meaningfully contribute to the norm-setting processes, without undue restrictions, and support them in doing so, including giving them an opportunity to participate in agenda-setting, debates and decision-making, either directly or through country groupings, according to their preference. *(para 11 from the Terms of Reference for a UN Framework Convention on International Tax Cooperation)* k bis) The UN framework convention on tax therefore should include provisions regarding institutional mechanisms to support Member States, especially developing countries, in their efforts to build capacity on relevant international tax practice and related issues to ensure that they have adequate capacity to participate effectively in international tax cooperation and to implement the framework convention. *(para 12 from the Terms of Reference for a UN Framework Convention on International Tax Cooperation)* l) We commit to promoting technology transfer, including shearing of digital tools and IT systems that can support tax administration ~~enhance support to developing countries for country-led efforts to modernize revenue~~	k) Replace k) with capacity building text (para 11 and 12) from the ToR of the UN Framework Convention on Tax.

	~~administration, especially the digitalization of tax administrations, investment in information technology systems, the improvement of data and statistics and the use of artificial intelligence~~. m) ~~We will provide support to countries that seek to increase their tax-to-GDP ratios. We call on development partners to double their support for domestic revenue mobilization and public financial management by 2030. We will also provide targeted support for countries aiming to reach tax-to-GDP ratios of at least 15 per cent, which is an indicative level above which it is more likely that countries will be able to meet spending needs while ensuring fiscal stability and supporting sustainable development.~~ Member States and other relevant stakeholders in a position to do so are encouraged to assist in ensuring the full and effective participation of developing countries, including in particular the least developed countries, in the negotiation of the framework convention, including by covering travel and local expenses and through capacity-building. *(para 24 from the Terms of Reference for a UN Framework Convention on International Tax Cooperation)* m bis) We are committed to mobilizing international financing to support countries with limited fiscal capacities in their efforts to invest in social protection and close their financing gaps. In this regard, we call for the creation of a Global Fund for Social Protection (GFSP), building on existing mechanisms such as the ILO's Flagship Programme on Building Social Protection for All.	l) Extremely prescriptive towards developing countries. Replace with a commitment to technology transfer. It must be up to developing countries to decide whether they find artificial intelligence suitable for their tax administration. m) FfD should focus on 'international cooperation' aspects of FfD. A 15% tax/GDP target introduces the risk of ODA conditionalities and forcing developing countries to introduce more regressive taxes. Replace m) with capacity building text (para 24) from the ToR of the UN Framework Convention on Tax

	Subnational finance n) We will strengthen subnational finance where appropriate by enhancing local authorities' technical, technological and human resource capacities; diversifying revenue and financing sources, including the development of municipal bond markets as applicable; and promoting stable and transparent intergovernmental financial transfer systems and equalization mechanisms. We commit to ensuring that local governments provide platforms to engage with citizens on both revenue and expenditure issues to improve service delivery.	
23. To strengthen international tax cooperation and to ensure that international tax rules respond to the diverse needs, priorities, and capacities of all countries, especially developing countries: a) We commit to ensure that international tax cooperation is fully inclusive and beneficial to all. We resolve to strengthen the voice and representation of developing countries in the international tax architecture. We emphasize the importance of careful analysis of the implications of international tax cooperation frameworks for developing countries, ensuring equitable benefits and addressing their specific challenges. b) We will continue to support and engage constructively in the negotiations on a United Nations Framework Convention on International Tax Cooperation and its protocols. c) We will ensure that all companies, including multinational enterprises, pay taxes to the countries where economic activity occurs, and value is created. d) We will promote inclusive cooperation and dialogue among national tax authorities on	23.Globalization, the increased prevalence and size of multinational enterprises (MNEs), powerful elites, and changes in business models have enabled base erosion and profit shifting on a significant scale, severely undermining domestic revenue collection particularly, but not solely, in developing countries. International tax cooperation must support countries exercising their taxing rights, including through fair distribution of taxing rights between countries and strengthening the fight against tax evasion and aggressive tax avoidance. Existing international tax rules often fail to respond to the diverse needs, priorities, and capacities of all countries, especially least developed countries, limiting their ability to safeguard their tax bases. Strengthening tax cooperation and building a fully inclusive and effective international tax architecture are essential to~~To~~ strengthen international tax cooperation and to ensure that international tax rules respond to the diverse needs, priorities, and capacities of all countries, especially developing countries:	23. Inputs based on text that was previously included in the Zero Draft but has been deleted.

international tax matters, and welcome the work of the United Nations' Committee of Experts on International Cooperation in Tax Matters, including its subcommittees. e) We commit to enhance tax transparency while recognizing the challenge that countries in special situations face. We will support developing countries to implement standards, including by giving them special considerations, for example grace periods for full reciprocity under automatic exchange of tax information or further simplifying certain standards and conditions. Our commitment includes strengthening country-by-country reporting of multinational enterprises and further evaluating the creation of a central public database for country-by-country reports. We will also consider extending reporting obligations to high-net worth individuals. f) We commit to enhance beneficial ownership transparency by implementing effective domestic beneficial ownership registries with high quality and standardized information, as well as working towards establishing a global beneficial ownership registry covering a wide range of assets, legal entities and legal arrangements, such as companies, trusts, and limited liability partnerships. In all of these efforts, we will build on existing work and provide assistance to developing countries in implementing these transparency standards. g) We will provide developing countries with demand-based technical assistance and capacity building programmes to ensure that they benefit from international tax cooperation.	a) We commit to inclusive tax cooperation at the United Nations, including the finalization of a UN Framework Convention on International Tax Cooperation and two early protocols in line with the adopted Terms of Reference. In this context we also ~~We~~ commit to ensure that international tax cooperation is fully inclusive and beneficial to all and conducted in a transparent and participatory manner. We commit to cooperate to address tax evasion and avoidance by high-net worth individuals and ensure their effective taxation in relevant Member States; and to ensure that international tax cooperation promotes substantive equality, including gender equality. We resolve to strengthen the voice~~, and~~ representation and power of developing countries in the international tax architecture. We emphasize the importance of ~~careful analysis of the implications of international tax cooperation frameworks for developing countries,~~ ensuring equitable benefits and addressing their specific challenges. b) We endorse the Terms of Reference for a UN Framework Convention on International Tax Cooperation and commit ~~will continue~~ to support and engage constructively and in good faith in the negotiations on the United Nations Framework Convention ~~on International Tax Cooperation~~ and its protocols.	a) It is unclear which 'international tax cooperation frameworks', in plural, are being referred to. FfD4 should be clear in protecting and fully endorsing the agreed ToRs of the UN Framework Convention on Tax and not allow for any misinterpretation of these mandates to be implemented by OECD. b) It is unfortunately not all countries that have engaged constructively in the UN Tax Convention negotiations. For example, some countries played a very actively role in the negotiations of the Terms of Reference, and had significant influence on the outcome, but failed to vote in favour of the final outcome. FfD4 provides an important opportunity for all countries to endorse the ToR in the FfD Outcome Document.

h) Recognising that many countries have made progress in implementing Pillar Two, we call on the Organisation for Economic Co-operation and Development (OECD)/Group of 20 (G20) Inclusive Framework on Base Erosion and Profit Shifting, in cooperation with other international organisations, to provide country-based specific technical support to interested jurisdictions. i) We will explore implementing innovative taxes to mobilize resources for sustainable development, including in the form of global solidarity levies, and invite countries to apply them on a voluntary basis.	d) We will promote inclusive cooperation and dialogue among the relevant Ministries and national tax authorities on international tax matters, and welcome the work of the United Nations' Committee of Experts on International Cooperation in Tax Matters, including its subcommittees. e) We commit to enhance tax transparency while recognizing the challenge that countries in special situations face. We will support developing countries when developing ~~to implement~~ standards, including by giving them special considerations, for example grace periods for full reciprocity under automatic exchange of tax information or further simplifying certain standards and conditions in the negotiations towards a UN Tax Convention. Our commitment includes strengthening country-by-country reporting of multinational enterprises and ~~further evaluating~~ the creation of a central public database for country-by-country reports as a part of the future UN Tax Convention. We will also consider extending reporting obligations to high-net worth individuals within the framework of the UN Tax Convention. f) We commit to enhance beneficial ownership transparency by implementing effective domestic beneficial ownership registries with high quality and standardized information. Through the negotiations towards a UN Convention on International Tax Cooperation, we also commit to~~,~~ ~~as well as~~ working towards establishing a global beneficial ownership registry covering a wide range of assets, including high-value assets such as real estate, vessels and luxury goods, legal entities	e) This paragraph has been changed and now focuses on supporting developing countries to implement existing (OECD) standards, which is problematic. The transparency issues are very important, but must be addressed as a part of the negotiations of the UN Framework Convention on International Tax Cooperation. The ToR for the Convention already include clear references to transparency and exchange of information, and there is therefore a clear mandate to address these issues during the negotiation of the Convention. It is important to include the point that country by country reports should be public. f) Beneficial ownership transparency is a vital concept, especially for combating international tax abuse, and it must be integrated into the UN Tax Convention negotiations and form a key part of the future framework. Incorporating specific language on implementing beneficial ownership registers of corporate vehicles links to existing commitments and lack of good implementation. The text should be more explicit on the potential of using and exchanging high-quality beneficial ownership

	and legal arrangements, such as companies, trusts, and limited liability partnerships. In this context, we will implement digital and standardized, high-quality public beneficial ownership registers of legal entities and legal arrangements. Furthermore, we will ensure that a wide range of actors, including competent authorities, civil society and media, have access to timely, adequate, reliable, well-structured, accurate and up-to-date interoperable data to enforce tax policies and prevent tax evasion and illicit financial flows. We will also ensure effective verification and data-sharing mechanisms of beneficial ownership information. In all of these efforts, we will build on existing work under UN auspices and provide assistance to developing countries in implementing these transparency standards.	data among countries to address transnational corruption and fight tax evasion and harmful tax practices. Lastly, the focus on building on existing work is problematic since it might be used as an argument against making the changes that are necessary to the existing rules, including to promote a basic level of transparency and integrating the concerns of developing countries.
	h) ~~Recognising that many countries have made progress in implementing Pillar Two, we call on the Organisation for Economic Co-operation and Development (OECD)/Group of 20 (G20) Inclusive Framework on Base Erosion and Profit Shifting, in cooperation with other international organisations, to provide country-based specific technical support to interested jurisdictions.~~ We express concern at the biased outcomes of the OECD/G20 BEPS process that are not in the interest of most developing countries and commit towards agreeing a comprehensive UN Framework Convention on Tax.	h) This paragraph is highly problematic and seem to ignore the very important discussions that there have been on this issue during the negotiation of the Terms of Reference for the new UN Framework Convention on Tax. There are strong concerns with the Two Pillar proposal – both from an effectiveness perspective, and from the point of fairness. The proposal was negotiated in a forum where developing countries were not able to participate on an equal footing, and the result is an outcome that is biased in favor of a small group of developed countries – especially those with harmful tax practices. It is also worth noting that there is no consensus among developed countries on whether to implement the Two Pillar proposal.

	i) In the context of the negotiation of a new UN Framework Convention on International Tax Cooperation, w~~W~~e will explore implementing innovative taxes to mobilize resources for sustainable development, including in the form of global solidarity levies~~, and invite countries to apply them on a voluntary basis~~. We will further explore conducting tax incidence analysis to assess the tax burden before the innovative taxes are recommended. We also pledge to dedicate a substantial share of the revenues generated towards jobs creation, funding universal social protection floors and ensuring access to essential social services in the least developed countries. i bis) Ensure that tax systems reflect the principles that the cost of pollution and environmental damage should be borne by those causing it, not those suffering its impacts (polluter pays principle), as well as the common but differentiated responsibilities and respective capabilities of countries in relation to addressing international environmental challenges.	i) This is an important issue, but they should be addressed within the negotiations of the UN Framework Convention on International Tax Cooperation. The ToR already include clear references to tax and environment, and there is therefore a clear mandate in the ToR to address these issues during the negotiation of the Convention. Moreover, the reference to invest in jobs and social protection is in line with the AAAA.
24. To overcome the substantial and persistent challenges for effectively combatting illicit financial flows (IFFs): a) We commit to regulate professional service providers at the national level and enhance international cooperation to curb IFFs and other illicit financial activities. This includes promoting global discussions on standardizing regulatory regimes of professional service providers involved in IFFs, strengthening accountability mechanisms, integrating them into national legislation, and committing to supporting these efforts with an	24. Countries face substantial and persistent challenges in effectively combatting illicit financial flows (IFFs), including lack of exchange of information, inadequate systems for tracing and collecting relevant financial data, ineffective and incomplete implementation of anti-corruption and anti-money laundering measures, and the absence of standardized regulations for professionals and institutions that facilitate IFFs. More and stronger action should foster greater financial transparency and accountability, with robust enforcement contributing to the prevention and combatting of IFFs, and the recovery and return of assets derived	24. Inputs based on text that was previously included in the Zero Draft but has been deleted.

independent review of regulatory frameworks and practices. b) We will support the role that the media and civil society play in exposing IFFs. c) We will establish a special meeting of the Economic and Social Council (ECOSOC) on financial integrity to address financial integrity at a systemic level and exchange best practices including on the use of technologies to combat IFFs effectively and to be held back-to-back with the special meeting of the Council on international cooperation in tax matters. d) We commit to full implementation of the United Nations Convention Against Corruption (UNCAC) including by supporting an effective and efficient Mechanism for the Review of the Implementation of the UNCAC to assist in preventing and combatting corruption. Furthermore, we commit to scale up technical assistance for the implementation of UNCAC in countries, upon their request. e) We commit to ensure that confiscated assets are returned to the benefit of the populations of the countries of origin. We resolve to enhance sustainable and transparent practices for asset recovery and return through strengthened international cooperation and capacity-building initiatives, and foster pilot initiatives for new and innovative approaches aligned with sustainable development to address barriers and improve efficiency in asset recovery processes. f) We will identify, assess and act on money laundering risks, including through effective implementation of the Financial Action Task Force standards on anti-money laundering and countering the financing of terrorism.	from illicit activities. Tackling corruption can restore public trust, strengthen institutional capacity, and have positive impact on global challenges of poverty, social and economic inequality. To overcome the substantial and persistent challenges for effectively combatting illicit financial flows (IFFs): a) We commit to regulate and ensuring effective independent supervision of all professional service providers whose services raise the risk of corruption, money-laundering, tax abuse and other types of illicit financial flows, including by improving their regulation, transparency and reporting requirements subjecting them to stringent supervision at the national level. We also commit to ~~and~~ enhance international cooperation to curb IFFs and other illicit financial activities. This includes promoting global discussions on standardizing regulatory regimes of professional service providers involved in IFFs, strengthening accountability mechanisms, integrating them into national legislation, and committing to supporting these efforts with an independent review of regulatory frameworks and practices. b) We will support the role that the media and civil society play in exposing IFFs, and we commit to establishing measures to ensure they have access to the necessary information and resources to exercise their labor in a safe and enabling environment. c) We will establish a special meeting of the Economic and Social Council (ECOSOC) on financial integrity, in cooperation with the UN	

	Convention Against Corruption (UNCAC) and its Review Mechanism, as well as all other relevant UN processes and bodies, to address financial integrity at a systemic level and exchange best practices including on the use of technologies to combat IFFs effectively and to be held back-to-back with the special meeting of the Council on international cooperation in tax matters.	
	d) We commit to full implementation of the United Nations Convention Against Corruption (UNCAC) including by supporting an effective and efficient Mechanism for the Review of the Implementation of the UNCAC that is more transparent, inclusive, efficient and effective to assist in preventing and combatting corruption. Furthermore, we commit to scale up technical assistance for the implementation of UNCAC in countries, upon their request.	
	e) We commit to ensure that confiscated assets are returned to the benefit of the populations of the countries of origin. We resolve to enhance sustainable and transparent practices for stolen asset recovery and return through strengthened international cooperation, transparency and engagement with civil society~~ and capacity-building initiatives, and foster pilot initiatives for new and innovative approaches aligned with sustainable development~~ to address barriers and improve efficiency in asset recovery processes.	e) The correct term is “stolen assets”, which refers to the fact that there are assets in Global North countries that have been stolen from the Global South. When Global South countries demand those assets returned, they tend to be met with a large number of conditions or outright lack of cooperation from the Global North countries where the assets are located. It’s highly inappropriate to suggest that this issue relates to a lack of “capacity” in developing countries.
	f) We will identify, assess and act on money laundering risks~~, including through effective implementation of the Financial Action Task Force~~	f) FATF is an OECD-housed body that does not allow all developing countries to participate on an equal footing. Several developing countries have flagged concerns about the unfair

	~~standards on anti-money laundering and countering the financing of terrorism.~~	blacklisting of developing countries for not following FATF standards.
25. To fully exploit the potential of national public development banks (PDBs) in mobilizing resources for sustainable development and address challenges that limit their efficiency and effectiveness: a) We encourage countries with development banks to reinforce their capacities to effectively contribute to sustainable development, including by leveraging resources from multilateral development banks (MDBs), and to review and update their mandates to align with sustainable development, and we commit to provide support to countries without development banks to establish such institutions to address local and national development challenges. b) We call on MDBs and development partners to enhance support to national PDBs so as to strengthen their ability to provide long-term low-cost financing to invest in sustainable development. We also encourage MDBs and other development finance institutions (DFIs) to enhance cooperation and coordination with national development banks, in support of national priorities and plans. c) We commit to ensure our national regulatory requirements reflect national development banks' development-focused mandates and distinctive business models and risk profiles, ensuring that development banks are empowered to pursue innovative and risk-informed approaches to financing sustainable development.	d) National development banks are encouraged to establish diversity criteria for project financing,	

	prioritizing initiatives that promote racial and gender equity in leadership and community impact. e) National development banks should implement mechanisms for racial and gender impact assessments in all their projects. Such assessments shall ensure that projects contribute to reducing social and economic inequalities and fully promote the inclusion of marginalized communities. f) National development banks are encouraged to allocate specific credit lines to support Afro descendant entrepreneurs, ensuring access to resources for the economic empowerment of historically marginalized groups. g) We commit to integrating racial and gender equity considerations into sustainable development projects funded by national development banks. This includes incorporating social and racial impact indicators to prioritize initiatives that benefit Afro descendant communities in areas such as education, healthcare, and access to resources. h) National development banks must establish mandatory diversity criteria in their financing operations, ensuring that at least 30% of project leadership roles are held by Afro descendant individuals and women.	
II. B. Domestic and international private business and finance		
Summary and key takeaways: • This chapter misses a key deliverable that elevates evidence-based modalities and upholds the regulatory role of States, ensuring alignment of private business and finance with democratically determined national development strategies. The section on private capital mobilisation (para 28) should		

deliver a UN intergovernmental process to review the sustainable development outcomes, the fiscal, labour and human rights impact of blended finance and other financing instruments established to leverage private finance. While these modalities have been promoted since 2015 (or even earlier), there has not been a comprehensive assessment of their impact. This will allow for an inclusive discussion on the most appropriate toolkit of policy measures to regulate private investments in the public interest. Globally agreed standards and guidelines are needed, as regulation cannot be left to the ability of individual countries to regulate in a context of highly unequal power distribution, including between countries of the Global South and corporations.

- Para 29.c) should include an explicit reference to a legally binding instrument to regulate in international human rights law, the activities of transnational corporations and other business enterprises.
- It is key to retain the more nuanced language included in this draft in the narrative/opening paragraph (Para 26). Since 2015, the 'billions to trillions' narrative has proved to be a fantasy, and there is a need to have an evidence-based approach to the role of private finance in development.
- In Para 28.m), it is important to retain ambitious language on credit rating methodologies, complementing and aligning with the Systemic Issues considerations on credit rating agencies on para 48 a.

26. Private business activity, investment, and innovation are major drivers of sustainable development, economic growth, and job creation. However, global investment growth has slowed in the last decade. Despite increased attention to innovative finance instruments such as blended finance and adoption of sustainable business and finance legislation, investment in sustainable development has not reached expectations, nor has it adequately prioritized sustainable development impact. Investment remains hampered by underdeveloped financial and capital markets in many developing countries, high financing costs and misalignment between short-term financial incentives and long-term sustainable development impact. Competitive investment opportunities are not always aligned with public goals, which underlines the need to fully align policy frameworks and incentives for private investment at national and global levels with sustainable development, building on the lessons learned since the adoption of the Addis Ababa Action Agenda.	26. Private business activity, investment, and innovation are major drivers of sustainable development, economic growth, and job creation <u>when they align with democratically-determined national development strategies, including sustainable industrial policies</u>. However, global investment growth has slowed in the last decade. Despite increased attention to innovative finance instruments such as blended finance and adoption of sustainable business and finance legislation, investment in sustainable development has not reached expectations, nor has it adequately prioritized sustainable development impact. Investment remains hampered by underdeveloped financial and capital markets in many developing countries, high financing costs and misalignment between short-term financial incentives and long-term sustainable development impact. Competitive investment opportunities are not always aligned with public goals <u>and human rights obligations and driven by domestic needs and actors. Particularly, the use of blended finance in the provision of health, education and social protection services have shown detrimental effects on equality. This</u> ~~,~~	Suggest retaining the following language within this paragraph: "Despite increased attention to innovative finance instruments such as blended finance and adoption of sustainable business and finance legislation, investment in sustainable development has not reached expectations, nor has it adequately prioritized sustainable development impact. Investment remains hampered by underdeveloped financial and capital markets in many developing countries, high financing costs and misalignment between short-term financial incentives and long-term sustainable development impact." It is key to present a nuanced, evidence-based and cautious approach to the role of private finance in development. On industrial policies, further proposals are included in the following CS FfD Mechanism brief.

	~~which~~ underlines the need to fully align policy frameworks and incentives for private investment at national and global levels with sustainable development, building on the lessons learned since the adoption of the Addis Ababa Action Agenda.	
27. To promote investment in sustainable development and building domestic financial and capital markets: *Domestic financial and private sector development and enabling environments* a) We will promote policy frameworks that create enabling environments for investment in and aligned with sustainable development. This includes enhanced transparency, good governance, anti-corruption measures, the rule of law, investor and consumer protection, fair competition, and evaluating trade-offs of policies across the three dimensions of sustainable development. To this end, we encourage the development of a model framework at the international level, as technical guidance to support the adoption of national frameworks. b) We will accelerate the development of domestic financial sectors and promote a sequential approach, starting with building a domestic savings base and strengthening the domestic banking sector. We will continue with expanding long-term bond and insurance markets, equity markets and institutional investment, as appropriate, and deepening secondary markets. c) We will support demand-driven technical assistance and capacity development programmes, including by MDBs, for sequential domestic financial sector development and to create enabling environments for sustainable	a) We will promote policy frameworks that create enabling environments for investment in and aligned with sustainable development and ILO standards and international labour rights, universal public service provision including in the health and education sectors and universal social protection. This includes enhanced transparency, good governance, anti-corruption measures, the rule of law, investor and consumer protection, fair competition, and evaluating trade-offs of policies across the three dimensions of sustainable development. To this end, we encourage the development of a model framework at the international level, as technical guidance to support the adoption of national frameworks. b) We will accelerate the development of domestic financial sectors and promote a sequential approach, starting with building a domestic savings base and strengthening the domestic banking sector. We will continue with expanding and regulating long-term bond and insurance markets, equity markets and institutional investment, as appropriate, ~~and deepening secondary markets.~~	

development impact, particularly for countries in special situations. d) We call upon relevant actors to develop comprehensive risk management and insurance markets, and in particular to develop solutions for smallholder and women farmers and other stakeholders to protect against production risks, price volatility, and disaster and climate change impacts. e) We will promote the creation of domestic investment vehicles, such as development-oriented venture capital funds. We will also promote innovative financial instruments that support sustainable development, such as thematic bonds (e.g. use-of-proceeds bonds like green and SDG bonds, and sustainability-linked bonds), with sound regulatory frameworks and adequate risk management. f) We will also support demand-driven technical assistance for sustainable and inclusive industrialization, to enable enterprises to thrive and expand across borders, create decent jobs, and contribute to economic diversification, value addition, and sustainable development. *Access to financing, remittances, and correspondent banking relationships* g) We will promote MSMEs' access to affordable credit by strengthening the MSME ecosystem, including through local banks, credit unions, national development banks, and other domestic financial institutions, and creating credit lines targeting those enterprises. We encourage DFIs, including the International Finance Corporation (IFC), to promote finance for these enterprises, including through on-lending to domestic financial institutions and enhanced local	d) We call upon relevant actors, including the State as regulator, to develop comprehensive risk management and insurance markets, and in particular to develop solutions for smallholder and women farmers and other stakeholders to protect against production risks, price volatility, and disaster and climate change impacts. e) We will promote the creation of domestic investment vehicles, such as development-oriented ~~venture capital~~ funds and other concessional financing instruments. We commit to review the impact of and in the meantime caution against the risk of debt-creating ~~will also promote~~ innovative financial instruments ~~that support sustainable development,~~ such as thematic bonds (e.g. use-of-proceeds bonds like green and SDG bonds, and sustainability-linked bonds)~~, with sound regulatory frameworks and adequate risk management.~~ g) We will promote MSMEs' and Social and Solidarity Economy (SSE) entities' access to public concessional credit and patient capital, ~~and affordable credit~~ by strengthening the MSME and SSE ecosystems, including through local banks, credit unions, national development banks, and other domestic financial institutions, and creating credit lines targeting those enterprises. We encourage DFIs, including the International Finance Corporation (IFC), to promote finance for	

currency financing. We also call for a review of the possible unintended consequences of regulatory and prudential frameworks on lending to those enterprises in developing countries and explore the use of carve-outs for these enterprises. h) We resolve to expand access to financial products and services, particularly for women, youth, and those who are in vulnerable situations or are marginalized, while recognizing that financial access is just one aspect of financial health and that complementary efforts are needed, including strengthening financial literacy, consumer protection, and regulation. i) We will leverage digital technologies and digital public infrastructure to deepen financial inclusion, and support investments in the development and digitalization of financial system infrastructure in developing countries, particularly in countries in special situations. j) We resolve to redouble our efforts to reduce remittance costs to less than 3 per cent of amounts transferred by 2030, including by promoting digital remittance solutions, competition among money transfer operators, transparency requirements for fees and commissions, accelerating access to transaction accounts for migrants, and by working with relevant actors to harmonize regulatory frameworks and ensure a proportionate application of regulations on private money flows. We will also strengthen remittance data collection and dissemination. k) We call upon relevant institutions to support correspondent banking relationships through technical assistance programmes and	these enterprises, including through on-lending to domestic financial institutions and enhanced local currency financing. We also call for a review of the possible unintended consequences of regulatory and prudential frameworks on lending to those enterprises in developing countries and explore the use of carve-outs for these enterprises. h) We resolve to expand access to concessional financial products and services, particularly for women, youth, and those who are in vulnerable situations or are marginalized, while acting to protect borrowers from predatory lenders, ~~while recognizing that financial access is just one aspect of financial health and that complementary efforts are needed, including strengthening~~ We resolve to expand financial literacy, consumer protection, and financial regulation. i) We will leverage digital technologies and strengthen digital public infrastructure ~~to deepen financial inclusion~~, and ~~support~~ investments in the development and digitalization of financial system infrastructure in developing countries, particularly in countries in special situations and build the capacity of authorities and consumers to fight against fraudulent, abusive and debt creating fintech applications.	

increased digitalization, particularly for SIDS, building on existing global efforts.		
28. To scale-up foreign direct investment and private capital mobilization for sustainable development: *Foreign direct investment* a) We will promote foreign direct investment in developing countries, in particular countries facing specific challenges. We call for the timely establishment of an international investment support centre for the LDCs; the Infrastructure Investment Finance Facility for LLDCs; and the Centre of Excellence for the Sustainable Development of SIDS, which will include, inter-alia, a biennial Island Investment Forum. b) We will increase support for project pipeline development, including strengthening data collection, analytics, interoperability between government systems, and performance monitoring to support countries to assess project feasibility. c) We will enhance partnership between the public and private sectors, strengthen dialogue on national sustainable development plans between governments and private investors, and match supply and demand for technical assistance at the global level, including through events such as the World Investment Forum. *Private capital mobilization for sustainable development impact* d) We call for blended finance initiatives to i) focus on sustainable development impact, rather than on quantity or degree of leverage alone; ii) promote country ownership by aligning with national sustainable development priorities and	a) We will promote alignment of appropriate and demand-driven foreign direct investment in developing countries, in particular countries facing specific challenges to address national development priorities. ~~We call for the timely establishment of an international investment support centre for the LDCs; the Infrastructure Investment Finance Facility for LLDCs; and the Centre of Excellence for the Sustainable Development of SIDS, which will include, inter-alia, a biennial Island Investment Forum.~~ b) We will increase support for project pipeline development, ~~including~~ in line with national development priorities. We will strengthen data collection, analytics, interoperability between government systems, and performance monitoring to support countries to assess project feasibility, in line with human rights and fiscal considerations. c) We will enhance state capacities to take the lead in shaping partnerships, including between different type of public sector actors and the public and private sectors, where appropriate and preserving the public interest, strengthen dialogue on national sustainable development plans between governments and private investors, and match supply and demand for technical assistance at the global level ~~including through events such as the World Investment Forum~~.	

industrialization strategies; iii) ensure financial and developmental additionality; iv) share risk and rewards fairly; v) be transparent and have clear accountability mechanisms; vi) include participation of local communities in decisions affecting them; and vii) take into account debt sustainability. e) We call on development partners and DFIs to further expand the use of risk-sharing instruments, such as guarantees and insurance solutions, for private capital mobilization. f) We invite DFIs to harmonize and strengthen impact metrics as a basis for mobilization targets, building on on-going work, and to align incentives with maximizing sustainable development impact. g) We support efforts towards greater standardization of blended finance instruments to create effective and replicable structures for different country contexts. We will develop a common taxonomy of risk-sharing mechanisms building on existing efforts, to evaluate how different blended finance structures affect developmental outcomes under different circumstances and to facilitate investment. h) We further support utilizing innovative structures in blended finance, including equity and equity- like instruments, state-contingent subsidies, and auction mechanisms, to ensure that both risk and rewards are shared fairly between the public and private sector. i) We call upon the IFC to scale up the use of the International Development Association (IDA) Private Sector Window, including through increased local currency lending, and enhance	d) We call for strict criteria for blended finance initiatives, as they should: i) focus on sustainable development impact, rather than on quantity or degree of leverage alone; ii) promote country ownership by aligning with national sustainable development priorities and industrialization strategies; iii) ensure financial and developmental additionality; iv) share risk and rewards fairly; v) be transparent and have clear accountability mechanisms towards parliaments and taxpayers; vi) include participation of local communities in decisions affecting them; ~~and~~ vii) take into account debt sustainability, and viii) ensure alignment with ILO standards and international labour rights, and adherence to principles of business and human rights e) ~~We call on development partners and DFIs to further expand the use of risk-sharing instruments, such as guarantees and insurance solutions, for private capital mobilization.~~ f) We invite DFIs to harmonize and strengthen development impact metrics, ~~as a basis for mobilization targets, building on on-going work,~~ and to align internal incentives with maximizing sustainable development impact, rather than with mobilization targets. We call on development partners and DFIs to avoid the use of blended finance, public private partnerships and other risk sharing instruments in sectors that constitute public goods, including sectors like education and health, where private sector participation has been	We suggest a change in the order of paragraphs (d) to (g) to follow a logical order. This should be: (g) (d) delete (e) (f) Delete from (h) to (l) Re (h), while some of these measures could be appropriate, without a comprehensive and inclusive review process to identify under their cost and benefits and under what conditions they work for sustainable development, it is too premature to support any of these.

private equity, venture capital, and microfinance ecosystems. j) We call upon MDBs to establish pools of catalytic capital seeded by development banks, DFIs, donor countries, foundations and philanthropies, with standardized, simplified and transparent access requirements. We support the development of repositories of guarantee instruments, building on the World Bank Guarantee Platform. k) We call upon MDBs to provide enhanced technical assistance, in a coordinated manner, including through the establishment of a pooled technical assistance platform, in developing countries, particularly countries in special situations, to build human and institutional capacity to originate, prepare and support high-impact infrastructure projects, across the infrastructure lifecycle. l) We will work with DFIs, including MDBs, and the private sector to support the development of cost-effective, long-term foreign exchange risk mitigation and hedging solutions for investments in sustainable development. m) We will work with relevant stakeholders to ensure that guarantees are fairly valued in regulatory analysis and credit rating methodologies and to address possible unintended consequences for sustainable development investing, including by re-evaluating capital requirements for guarantees and blended finance mechanisms. n) We commit to further improve the availability, quality and accessibility of risk and impact data to support additional investments in developing countries, including by working with	associated with increased inequalities and human right violations. g) ~~We support efforts towards greater standardization of blended finance instruments to create effective and replicable structures for different country contexts.~~ We decide to set up a UN intergovernmental process to review the sustainable development outcomes, the fiscal, labour and human rights impact of blended finance and other financing instruments established to leverage private finance. This will serve as a basis to ~~We will~~ develop a common taxonomy of risk-sharing mechanisms ~~building on existing efforts, to evaluate how different blended finance structures affect developmental outcomes under different circumstances and to facilitate investment~~ and to identify the most appropriate toolkit of policy measures to regulate private investments in the public interest. ~~h) We further support utilizing innovative structures in blended finance, including equity and equity- like instruments, state-contingent subsidies, and auction mechanisms, to ensure that both risk and rewards are shared fairly between the public and private sector.~~ ~~i) We call upon the IFC to scale up the use of the International Development Association (IDA) Private Sector Window, including through increased local currency lending, and enhance private equity, venture capital, and microfinance ecosystems.~~ ~~j) We call upon MDBs to establish pools of catalytic capital seeded by development banks,~~	

institutional investors. We encourage the further release of quality disaggregated data, including from the Global Emerging Market Risk Database Consortium. We encourage the sharing and publishing of financial performance data of blended finance transactions and private sector mobilization rates in an aggregated and anonymized way. o) We will strengthen efforts to facilitate diaspora investment through innovative instruments and call on development partners to support such efforts.	~~DFIs, donor countries, foundations and philanthropies, with standardized, simplified and transparent access requirements. We support the development of repositories of guarantee instruments, building on the World Bank Guarantee Platform.~~ ~~k) We call upon MDBs to provide enhanced technical assistance, in a coordinated manner, including through the establishment of a pooled technical assistance platform, in developing countries, particularly countries in special situations, to build human and institutional capacity to originate, prepare and support high-impact infrastructure projects, across the infrastructure lifecycle.~~ ~~l) We will work with DFIs, including MDBs, and the private sector to support the development of cost-effective, long-term foreign exchange risk mitigation and hedging solutions for investments in sustainable development.~~ m) We will work with relevant stakeholders to re-evaluate credit rating methodologies and existing financial regulation, including capital requirements for guarantees and blended finance mechanisms, to ensure that guarantees are fairly valued in regulatory analysis and credit ratings ~~methodologies~~ and to address possible unintended consequences for sustainable development investing~~, including by re-evaluating capital requirements for guarantees and blended finance mechanisms~~.	m) We consider essential to take an actionable decision on CRAs, by resolving to establish an Intergovernmental Commission under ECOSOC to regulate Credit Rating Agencies (CRAs) including ESG rating bureaus, in line with G77's previous position, as further elaborated in Systemic Issues section, para 48a.
29. To align private business and finance with sustainable development and attract sustainable		

capital and diversified investor pools to developing countries: *Aligning financial incentives with sustainable development impact* a) We will accelerate the take-up of impact investing and innovative financing instruments such as impact funds, thematic bonds and investment lenses. We welcome efforts in some jurisdictions to require financial advisers to ask about savers' sustainability preferences and invite others to do the same. We also commit to advancing the development of responsible and inclusive consumer products while eliminating discriminative business practices, such as gender-based price differentiation. b) We call upon private entities to integrate sustainability and impact management into their decision-making and governance processes, and to actively measure it. To enhance clarity, we call on standard-setters and multilateral agencies to continue harmonizing voluntary impact standards and terminology. To facilitate measurement, we welcome ongoing efforts to adapt SDG indicators for the private sector, including the Global Impact Investing Network IRIS+ indicators and the Global Investors for Sustainable Development Alliance sector-specific SDG-related metrics. We also welcome the development, scaling, and adoption of sustainability benchmarks, indices and impact valuation methodologies to make impact comparable and actionable, and to internalize externalities. c) We will provide guidance on the responsibilities of private entities in their contribution to the national implementation of relevant intergovernmental agreements, with a	a) We support the advancement of sustainable industrial policy in developing countries, as a basis for notions of impact and the appropriateness of any form of investment. ~~We will accelerate the take-up of impact investing and innovative financing instruments such as impact funds, thematic bonds and investment lenses. We welcome efforts in some jurisdictions to require financial advisers to ask about savers' sustainability preferences and invite others to do the same.~~ b) We call upon private entities and urge multinational companies and investors to integrate sustainability and impact management into their decision-making and governance processes, and to actively measure it. To enhance clarity, we call on standard-setters and multilateral agencies to continue harmonizing voluntary impact standards and terminology. To facilitate measurement, we welcome ongoing efforts to adapt SDG indicators for the private sector, including the Global Impact Investing Network IRIS+ indicators and the Global Investors for Sustainable Development Alliance sector-specific SDG-related metrics. We also welcome the development, scaling, and adoption of sustainability benchmarks, indices and impact valuation methodologies to make impact comparable and actionable, and to internalize externalities. c) We will provide guidance on the responsibilities of private entities in their contribution to the national implementation of relevant intergovernmental agreements, with a	

focus on large and multinational companies and investors. We note existing efforts such as the Guiding Principles on Business and Human Rights implementing the United Nations “Protect, Respect and Remedy” Framework. We also welcome other relevant business and investment principles and norms, including but not limited to the United Nations Global Compact, the Guidelines for Multinational Enterprises, the Principles for Responsible Investment, Principles for Responsible Banking and Principles for Responsible Insurance, the IFC Performance Standards and the SDG Impact Standards. *Sustainable business and finance regulation* d) We encourage the elaboration of sustainable business and finance regulation that is country-led and context-specific, supported by capacity building for developing countries. We encourage the definition of national sustainable finance mobilization strategies, integrated into national financing frameworks where appropriate. We welcome ongoing efforts and encourage the continued development of transition planning for private entities, aligned with national pathways and global targets. e) We encourage the adoption of sustainability disclosure standards for reporting on impacts, risks and opportunities, through a country-driven approach tailored to national circumstances. We commend countries that have adopted such measures. To ensure cross-border comparability, we will consider transposing widely recognized standards, such as those of the International Sustainability Standards Board and Global Reporting Initiative, in a flexible and	focus on large and multinational companies and investors. We ~~note~~ will constructively engage in existing efforts such as the Guiding Principles on Business and Human Rights implementing the United Nations “Protect, Respect and Remedy” Framework. We also welcome other relevant business and investment principles and norms, including but not limited to the United Nations Global Compact, the Guidelines for Multinational Enterprises, the Principles for Responsible Investment, Principles for Responsible Banking and Principles for Responsible Insurance, the IFC Performance Standards and the SDG Impact Standards.	

country-specific manner. We will continue working towards the inclusion of external audit provisions to enhance trust in reported data. We will also provide capacity-building to support developing countries. f) We will work towards adopting measures to advance impact management beyond transparency and data disclosure to embed sustainability into business models, governance, operations and investor ownership practices, while addressing greenwashing and impact-washing. g) We will engage in international dialogue towards the interoperability of sustainable business and finance legislation, to reduce the costs of doing business across borders and ease compliance burdens for private entities and developing countries, while respecting existing national frameworks. We will leverage existing efforts to develop a roadmap for the interoperability of taxonomies, towards a set of common design principles as guidance for local implementation.	f) We will adopt ~~work towards adopting~~ measures to advance impact management beyond transparency and data disclosure to embed sustainability into business models, governance, operations and investor ownership practices, while actively discouraging and penalizing ~~addressing~~ greenwashing, genderwashing, SDGwashing and impact-washing. g) We will engage in international dialogue towards the interoperability of sustainable business and finance legislation to ensure private entities compliance ~~reduce the costs of doing business~~ across borders~~ and ease compliance burdens for private entities and developing countries~~ while respecting existing national e international frameworks, human rights obligations and labor standards. ~~We will leverage existing efforts to develop a roadmap for the interoperability of taxonomies, towards a set of common design principles as guidance for local implementation.~~	
II. C. International development cooperation		

Summary and key takeaways:

- The section still does not meet the expectations of Civil Society and in some areas even falls short of the status quo. The section on ODA has been reduced to absolute bare minimums and this is unacceptable. It is not enough to restate old commitments. What is needed in the current is to democratise the governance of international development cooperation as a way of breaking the cycle of unmet promises and of an increased deterioration of aid quantity and quality. FfD4 should go far beyond "leveraging the convening role of the United Nations", and be more forward looking and transformative. The UN offers all of the necessary attributes to establish a new normative framework on IDC, one that is transparent and inclusive, and offers the right space for agreeing on a common understanding of parameters and objectives of IDC flows. The draft has set the bar far too low with proposals that do not live up to the gravity of the current situation. Para 33b must include language that expresses a political commitment

<table>
<tr><td colspan="3">to establish a process towards a UN convention on development cooperation, key to making concrete progress on measurable, time-bound, and enforceable indicators for the fulfillment of agreed ODA targets.
We call on UN Member States to reaffirm the role of the UN as a norm-setter in global economic governance. We reaffirm the crucial role that MDBs can play in financing sustainable development, as long as some conditions are met. In particular, if more concessional resources are channelled through them, adequate regulations needs to be put in place to ensure they work in full alignment with national development priorities, human rights, and in a transparent and accountable way. Without a change in the development paradigm, the ways of working of MDBs, including their internal incentives which are very much geared towards quantity and not quality, and more importantly the Global-North-dominated governance structure of major development banks, these institutions won't be fit for purpose to deliver on the SDGs and the Paris Agreement. FfD4 is a key platform to reach a political agreement to establish UN intergovernmental process to review IFIs' and MDBs' governance, role and mandate, with an ecosystem approach, including how they interact with regional and national development banks. The objective is to build institutions that are democratic, inclusive, transparent, accountable and oriented to deliver sustainable development outcomes. FfD4 should not be a place to endorse decisions taken by an exclusive group of countries, like the G20 or by the institutions themselves.
The text should give clarity on enhancing the public finance provision for environmental integrity, quality and effectiveness of ecological and climate finance by developed countries to developing countries under the principles of Common But Differentiated Responsibilities (CBDR), equity and the right to development. It is time to abandon false market-based solutions. The quality of public finance provision for ecological integrity should be human rights-based, gender transformative and ensure non-debt creating public finance and without conditionalities, that is grant-based, long-term, flexible, and assuring that the money is new and additional to existing commitments like ODA, addressing barriers to access and with direct access to women, Indigenous peoples and most impacted communities and groups that face multiple and intersecting forms of discrimination, and, in the case of climate change, especially for adaptation and loss and damage.</td></tr>
<tr><td>30. International development cooperation continues to make a significant contribution to realizing sustainable development and implementing the 2030 Agenda. Recent shifts and reductions of Official Development Assistance (ODA) amidst changing political priorities have put development cooperation under stress. South-South Cooperation (SSC) is a complement but not substitute for North-South cooperation, and has been expanding, as has triangular cooperation. MDBs, which are in a unique position to accelerate financing for sustainable development, have taken significant steps to expand their financial capacity and enhance their development impact. But overall, development cooperation has not kept pace with rising and evolving needs of developing countries, especially in countries in special situations; persistent poverty and inequality, climate-induced disasters, and crises are increasing</td><td>30. International development cooperation continues to make a significant contribution to realizing sustainable development and implementing the 2030 Agenda. Recent shifts and reductions of Official Development Assistance (ODA) amidst changing political priorities have put development cooperation under stress. DAC countries' longstanding target of 0.7 GNI for ODA remains unmet and allocation of development cooperation. South-South Cooperation (SSC) is a complement but not substitute for North-South cooperation, and has been expanding, as has triangular cooperation. MDBs, which are in a unique position to accelerate financing for sustainable development, have taken significant steps to expand their financial capacity and enhance their development impact. But overall, development cooperation has not kept pace with</td><td></td></tr>
</table>

demands on limited resources. Growing fragmentation is also increasing transaction costs and runs counter to longstanding effectiveness principles. There is an urgent need to refocus international development cooperation on poverty eradication, to use it catalytically to accelerate sustainable development and mobilize other sources of finance, both public and private, and support countries to better manage transitions throughout their development process. This requires reforming the development cooperation architecture – globally and in countries – as a basis for a more effective and coherent cooperation that honours existing commitments, meets emerging needs, prioritises country leadership, and focuses on sustainable development impact.	rising and evolving needs of developing countries, especially in countries in special situations; persistent poverty and gender inequality, labour informality, greater gender gaps, climate-induced disasters, growing austerity and crises are increasing demands on limited resources. Growing fragmentation is also increasing transaction costs and runs counter to longstanding effectiveness principles. There is an urgent need to refocus international development cooperation on poverty eradication, to use it catalytically to accelerate sustainable development and mobilize other sources of finance, both public and private, and support countries to better manage transitions throughout their development process. This requires reforming the development cooperation architecture – globally and in countries – as a basis for a more effective and coherent cooperation that honours existing commitments, meets emerging needs, prioritises country leadership, and focuses on sustainable development impact.	
31. To increase volumes and enhance allocation of international development cooperation: **Official development assistance** a) We decide to undertake every effort to reverse reductions in ODA and scale up and achieve our respective commitments, including the commitment by most developed countries to reach existing targets of 0.7 per cent of ODA/GNI to developing countries, and at least 0.2 per cent of ODA/GNI to LDCs, while preserving the concessional character of flows reported as ODA.	a) We decide to undertake every effort to reverse reductions in ODA and scale up and achieve our respective commitments, including the commitment by most developed countries to reach existing targets of 0.7 per cent of ODA/GNI to developing countries, and at least 0.2 per cent of ODA/GNI to LDCs, while preserving the concessional character of flows reported as ODA, and in line with its core mandate of addressing poverty and inequality.	31a - retain this para, especially the reference to “preserving the concessional character of flows reported as ODA”

b) We appreciate that some countries have fulfilled their ODA commitments, and some have set concrete and binding timeframes for achieving ODA targets. We call on others to do the same. c) We commit to increase the share of ODA programmed at the country level and focused on longterm sustainable development that responds to the needs and priorities of recipient countries, including by increasing the share of budget support in ODA. We invite the Development Assistance Committee of the OECD (OECD DAC) to develop an indicator to measure this commitment. **South-South and triangular cooperation** d) We welcome the efforts and contributions of new and emerging development partners in providing finance for development and call upon them to scale up their contributions and support to developing countries. e) We commit to enhance the impact and quality of SSC, guided by the principles of respect for national sovereignty, national ownership and independence, equality, non-conditionality, noninterference in domestic affairs and mutual benefit. f) We commit to enhance triangular cooperation by fostering deeper collaboration between development partners, recipient countries, and emerging development partners, ensuring knowledge exchange, aligning efforts with the Sustainable Development Goals, and leveraging innovative financing	b) We ~~appreciate that some~~ call on countries ~~have fulfilled~~ to fulfill their ODA commitments, and ~~some have~~ to set concrete and binding timeframes for achieving ODA targets. ~~We call on others to do the same.~~ c) We commit to increase the share of ODA programmed at the country level and focused on long-term sustainable development that responds to the needs and priorities of recipient countries, including by increasing the share of budget support in ODA and the activities that qualify as Country Programmable Aid (CPA), setting concrete targets for both. We invite the ~~Development Assistance Committee of the OECD (OECD DAC)~~ the UN Statistics Office in coordination with relevant institutions to develop an indicator to measure this commitment. e)We commit to enhance the impact and quality of SSC, guided by the principles of respect for national sovereignty, national ownership and independence, equality, non-conditionality, noninterference in domestic affairs and mutual benefit. We will work towards creating systems for monitoring towards greater transparency and accountability of SSC.	31 c - A Country Programable Aid (CPA) metric already exists. It is derived from existing purpose codes and co-operation modalities reported to the OECD DACs Creditor Reporting System. As an ex-post calculation which adds together multiple different activities any eventual target would need to be for 'activities reportable as' or 'activities which qualify as CPA'. FfD4 presents a key opportunity to signal a concrete commitment to increase the share of ODA that actually reaches developing countries for the purpose of supporting countries' needs and priorities.

mechanisms to enhance its sustainability and impact. g) We will strengthen regional financing mechanisms that facilitate cross-border investment, resource mobilization, and knowledge sharing among developing economies. Strengthening these mechanisms will help ensure SSC is more sustainable, demand-driven and aligned with national development priorities. **Multilateral development banks and the system of public development banks** h) Building on notable progress achieved through the World Bank's Evolution Roadmap and reforms undertaken by other MDBs, and with the following additional actions, we seek to triple MDB annual lending capacity over the next ten years. i) We, as shareholders of the MDBs, will work through executive boards of MDBs to further implement the G20 Capital Adequacy Framework Review Recommendations and the G20 Roadmap towards Better, Bigger and More Effective MDBs, while ensuring that this does not exacerbate debt sustainability challenges of borrowers, and safeguarding MDBs' long-term financial sustainability. We commit to take other innovative measures, including studying ways to expand the use of originate-to-distribute models, which would free up capital for additional lending. j) We welcome the International Monetary Fund's (IMF) decision to approve the use of special drawing rights (SDRs) for the	h) ~~Building on notable~~ We take note of ~~progress achieved through~~ the World Bank's Evolution Roadmap and reforms undertaken by other MDBs, ~~and with the following additional actions,~~ we seek to ~~triple MDB annual lending capacity~~ to fast track reforms to support the MDBs' implementation of the SDG agenda over the next five ~~ten~~ years. h bis) We commit to establish a UN intergovernmental process to review IFIs' and MDBs' governance, role and mandate, with an ecosystem approach, including how they interact with regional and national development banks, and the appropriate set of metrics and internal incentives to deliver positive development outcomes. The objective is to build institutions that are democratic, inclusive, transparent, accountable and oriented to deliver sustainable development outcomes. i)We, a~~s shareholders of the MDBs,~~ take note of the ~~will work through executive boards of MDBs to further implement~~ the G20 Capital Adequacy Framework Review Recommendations and the G20 Roadmap towards Better, Bigger and More	

acquisition of hybrid capital instruments issued by prescribed holders. We support timely rechanneling of SDRs via MDBs by countries in a position to do so, and encourage at least five such countries to contribute to the SDR-based hybrid-capital channeling solutions by the African Development Bank and the Inter-American Development Bank by the end of 2025, preserving the reserve asset character of SDRs. k) We, as shareholders of the MDBs, will work through boards of governors of the MDBs to support further capital increases in MDBs where needed. l) We appreciate recent replenishments to concessional windows, especially the December 2024 agreement on the IDA 21 replenishment, which includes commitments from both new and existing donors. We recognize that IDA is the world's largest provider of concessional finance to developing countries. We commit to establish sustainable pathways to further replenish concessional windows at the MDBs. We look forward to an ambitious replenishment of the African Development Fund. m) We, as shareholders of the MDBs, will work through executive boards of the MDBs to further improve lending terms, including longer loan tenors (30 – 50 years), longer grace periods, lower lending spreads and other fees, while ensuring the financial sustainability of MDBs. n) We, as shareholders of the MDBs, will also work through executive boards of the MDBs to scale up products in local	Effective MDBs, and commit to assess progress towards that in our intergovernmental discussions. ~~while ensuring that this does not exacerbate debt sustainability challenges of borrowers, and safeguarding MDBs' long-term financial sustainability.~~ We commit to take other innovative measures, including studying ways to expand the use of originate-to-distribute models, which would free up capital for additional lending. k)We~~, as shareholders of the MDBs,~~ will work through boards of governors of the MDBs to support further capital increases in MDBs where needed. l)We appreciate recent replenishments to concessional windows, especially the December 2024 agreement on the IDA 21 replenishment, which includes commitments from both new and existing donors. ~~We recognize that IDA is the world's largest provider of concessional finance to developing countries.~~ We commit to establish sustainable pathways to further replenish concessional windows at the MDBs. We look forward to an ambitious replenishment of the African Development Fund. m)We, ~~as shareholders of the MDBs~~ will work ~~through executive boards of the MDBs~~ to further improve lending terms, including longer loan tenors (30 – 50 years), longer grace periods, lower lending spreads and other fees, while ensuring the financial sustainability of MDBs. n) We, ~~as shareholders of the MDBs,~~ will also work ~~through executive boards of the MDBs~~ to scale up products in local currency to better meet local development needs. We will develop tools at the	

currency to better meet local development needs. We will develop tools at the MDBs to facilitate local currency lending; strengthen the capacity of MDBs to issue local currency bonds, which can also help develop the local markets; and create a joint platform of multilateral and other PDBs to manage liquidity needs by building local currency pools, including managing risk through diversification; and create a center of excellence for local currency and capital market development, building on ongoing work. o) We, as shareholders of the MDBs, will work through the executive boards of the MDBs to strengthen and align impact measurement frameworks with the Sustainable Development Goals and work towards standardized approaches, measuring both positive and negative impacts, and ensuring adherence to social and environmental safeguards in all operations. p) As shareholders of the MDBs and other PDBs, we will enhance their ability to work better as a system aligned with country-led development priorities and strategies. We will foster synergies based on comparative advantages, including through enhanced operational cooperation among PDBs and joint programming and co-financing arrangements of projects, capacity building and peer learning. We encourage the establishment of a framework to incentivize and monitor the quality of cooperation between MDBs and other PDBs.	MDBs to facilitate local currency lending; strengthen the capacity of MDBs to issue local currency bonds, which can also help develop the local markets; and create a joint platform of multilateral and other PDBs to manage liquidity needs by building local currency pools, including managing risk through diversification; and create a center of excellence for local currency and capital market development, building on ongoing work. o) We commit ~~as shareholders of the MDBs~~, ~~will work through the executive boards of the MDBs~~ to strengthen and align MDB's impact measurement frameworks with the Sustainable Development Goals ~~and work towards standardized approaches~~, measuring both positive and negative impacts, including impacts on human rights, women's rights and the environment, ~~and~~ ensuring adherence to social and environmental safeguards in all operations. p)~~As shareholders of the MDBs and other PDBs, we~~ We will enhance ~~their ability~~ MDBs and PDBs' ability to work better as a system aligned with country-led development priorities and strategies. We will foster synergies based on comparative advantages, including through enhanced operational cooperation among PDBs and joint programming and co-financing arrangements of projects, capacity building and peer learning. We encourage the establishment of a framework to incentivize and monitor the quality of cooperation between MDBs and other PDBs.	

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<tr>
<td>Access to concessional finance

q) We will consider using complementary measures of progress that go beyond gross domestic product (GDP), including the multidimensional vulnerability index, as a complement to existing policies and practices, to inform development cooperation policies, including access to concessional financing.
r) In this context, we reiterate the call made in the Pact for the Future for MDBs, in partnership with the United Nations Secretary-General, to present options and recommendations on new approaches to improve access to concessional finance for developing countries, including projects with positive externalities in middle-income countries, enhancing alignment and synergies for shared goals and coherently agreed policies. We encourage MDBs to consider recommendations for future replenishment cycles.
s) We commit to support smooth transitions for graduating countries to avoid abrupt reductions in concessional finance and non-concessional official finance, including by developing transition strategies that take into account pre-graduation needs and facilitate tailored, coherent and integrated approaches to financing, and to integrating these into national development and aid strategies.</td>
<td>q)We will ~~consider using~~ use complementary measures of progress that go beyond gross domestic product (GDP), including the multidimensional vulnerability index and ex-ante and ex-post human rights, gender, environmental and fiscal impact assessments, as a complement to existing policies and practices, to inform development cooperation policies, including access to concessional financing.

r)In this context, we reiterate the call made in the Pact for the Future for ~~MDBs, in partnership with~~ the United Nations Secretary-General, to present options and recommendations on new approaches to improve access to concessional finance for developing countries, including projects with positive externalities in middle-income countries, enhancing alignment and synergies for shared goals and coherently agreed policies. ~~We encourage MDBs to consider recommendations for future replenishment cycles.~~</td>
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<td>32. To strengthen the effectiveness of development cooperation in all its forms, including reducing fragmentation and enhancing impact:</td>
<td>32.~~To strengthen the effectiveness of development cooperation in all its forms, including reducing fragmentation and enhancing impact:~~ We call on all member states to meet all their commitments</td>
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a) We will elevate country ownership and leadership by developing countries, policy and system coherence by development partners, with a strong focus on results, transparency, mutual accountability and strengthened partnerships as core tenets of effective development cooperation. b) We call on development partners to: i) respond to country plans and strategies, and commit to multi-year cooperation agreements that provide stable and predictable funding; ii) strengthen existing national systems rather than establishing parallel systems; and iii) ensure all interventions incorporate effective knowledge sharing, capacity building and resilience building to foster self-reliance. c) We will reduce fragmentation, including by prioritizing core contributions to multilateral institutions and multi-donor and inter-agency pooled funds, and by utilizing the respective strengths of both horizontal providers such as MDBs that can leverage their capital and vertical platforms. We will streamline and harmonize procedural and policy requirements, including to simplify and speed up national development banks' access to multilateral funds. d) We will enhance cooperation across the humanitarian-development-peace nexus to build the resilience of affected communities and contribute to longer term peacebuilding and sustainable development. We will ensure that the humanitarian-development-peace nexus remains adequately funded and coordinated, through a collective and	under the aid effectiveness agenda with the focus on the following a) We will elevate country ownership and leadership by developing countries, policy and system coherence by development partners, with a strong focus on results, transparency, mutual accountability and strengthened inclusive development partnerships as core tenets of effective development cooperation. c) We will reduce fragmentation, including by ~~prioritizing~~ utilising core contributions to multilateral institutions and multi-donor and inter-agency pooled funds, and by utilizing the respective strengths of both horizontal providers ~~such as MDBs that can leverage their capital and vertical platforms~~. We will streamline and harmonize procedural and policy requirements, including to simplify and speed up national development banks' access to multilateral funds. e) We commit to support policy coherence at all levels to ensure development partners' policies strengthen development cooperation, including by: i) striving to adopt a whole-of-government approach in delivering development cooperation, in line with principles of Policy Coherence for Sustainable Development; ii) ~~reconfirming~~	

integrated approach, and will scale up financing for peacebuilding and sustaining peace, in countries in conflict and post-conflict situations. e) We commit to support policy coherence at all levels to ensure development partners' policies strengthen development cooperation, including by: i) striving to adopt a whole-of-government approach in delivering development cooperation, in line with principles of Policy Coherence for Sustainable Development; ii) reconfirming commitments to untying aid and reducing the number of exclusions; iii) reducing tax exemptions on government-to-government aid; and iv) promoting national procurement and audit systems, and the involvement of local actors.	~~commitments to~~ fully untying our aid, formally and informally, and reducing the number of exclusions both in modality and income classification; iii) reducing tax exemptions on government-to-government aid; and iv) ~~promoting~~ prioritising national procurement and audit systems, and the involvement of local actors.	
33. To strengthen development cooperation architectures at both national and global levels: a) We will develop and strengthen country-led plans and strategies, such as INFFs, including through scaled up technical assistance and capacity building, as a basis for engaging with all development partners. We will put in place inclusive country-led national coordination platforms to support these national plans and strategies. These platforms should include all relevant actors – MDBs and other development finance institutions, the United Nations system, bilateral partners, private sector actors when appropriate, civil society, and other partners. We will involve national development banks and other relevant domestic actors to leverage	a) We will develop and strengthen country-led plans and strategies, ~~such as INFFs,~~ including through scaled up technical assistance and capacity building, as a basis for engaging with all development partners. We will put in place and institutionalise inclusive country-led ~~and institutionalised~~ national coordination platforms to support these national plans and strategies. These platforms should include all relevant actors – ~~MDBs and other development finance institutions,~~ the United Nations system, bilateral partners, multilateral organisations, private sector actors when appropriate, civil society, and other partners. We will involve national development banks and other relevant domestic actors to leverage local knowledge and align with country-led	

local knowledge and align with country-led development priorities. We will aim to ensure an efficient and effective division of labour, according to each partner's comparative advantage and knowledge. b) We commit to fully leverage the convening role of the United Nations to strengthen dialogue, coherence and norm-setting in international development cooperation, making the most of existing platforms at the United Nations, including the Development Cooperation Forum (DCF) and the financing for development (FFD) process, in collaboration with all relevant stakeholders. c) We resolve to strengthen accountability and follow up as part of the FFD process, including through a strengthened DCF that: i. Deepens exchange among providers, including members of the OECD DAC, non-traditional donors, MDBs, and others, as well as between providers and recipients, and to promote coherence in development cooperation. We invite the United Nations Secretary-General, in collaboration with the President of ECOSOC, to convene expert technical discussions focused on issues such as policy coherence in mobilizing resources for development, climate, and humanitarian needs and appropriate use of delivery modalities in different circumstances, to support this exchange, involving relevant	development priorities. We will aim to ensure an efficient and effective division of labour, according to each partner's comparative advantage and knowledge. b) We commit to ~~to fully leverage the convening~~ strengthening the role of the United Nations to ~~strengthen~~ convene and support dialogue on policy coherence and norm-setting in international development cooperation, making the most of existing platforms at the United Nations, including the Development Cooperation Forum (DCF) and the financing for development (FFD) process, in collaboration with all relevant stakeholders. To support the evolution of a new development co-operation architecture fit for purpose, we decide to establish a process towards a UN convention on international development cooperation that will include measurable, time-bound, and enforceable indicators for the fulfillment of agreed targets. add para 33c We commit to enhance coherence of development cooperation with new norms to deliver results on poverty and inequality, and to better harmonise relevant efforts across international development cooperation platforms and initiatives, and to this end decide to set up an intergovernmental process under the auspices of the General Assembly, supported by the DCF. i. Deepens exchange among providers, including members of the OECD DAC, non-traditional donors, MDBs, and others, as well as between providers and recipients, and to promote coherence in development cooperation. We invite the United	

stakeholders, and to report to the DCF beginning in 2027. ii. Monitors the delivery, effectiveness and impact of development cooperation in all its forms, drawing on all relevant existing reporting efforts, including country-owned reporting of data to SDG 17.3.1 as agreed by the United Nations Statistical Commission, ODA reporting to the OECD, Total Official Support for Sustainable Development, monitoring by the Global Partnership for Effective Development Cooperation (GPEDC), and better evidence of development impact. To this end, we will work towards suitable measures of development impact of all types and modalities of development cooperation, building on ongoing efforts, including by MDBs. iii. Promotes learning and sharing of experiences on emerging effectiveness challenges, drawing on the efforts by the GPEDC and other relevant stakeholders. iv. Enhances accountability of all relevant actors to their commitments, building on all available evidence.	Nations Secretary-General, in collaboration with the President of ECOSOC, to convene expert technical discussions focused on issues such as norm setting and policy coherence in mobilizing resources for development, climate, and humanitarian needs and appropriate use of delivery modalities in different circumstances, to support this exchange, involving relevant stakeholders, including civil society, and to report to the DCF beginning in 2027. ii)Develop a UN framework to ~~M~~ monitor~~s~~ the delivery of all commitments made at FfD4 on international public finance and the effectiveness and impact of development cooperation in all its forms, drawing on all relevant existing reporting efforts, including country-owned reporting of data to SDG 17.3.1 as agreed by the United Nations Statistical Commission, ODA reporting to the OECD, Total Official Support for Sustainable Development, monitoring by the Global Partnership for Effective Development Cooperation (GPEDC), and better evidence of development impact. To this end, we will work towards suitable measures of development impact of all types and modalities of development cooperation, building on ongoing efforts, including by MDBs. iv) Enhances accountability of all relevant actors to their commitments, by committing to a monitoring framework ~~building on all available evidence.~~	iv. the language is welcome but it is not meaningful. Needs to specify how the accountability will be enhanced.
34. To enhance mobilisation and effectiveness of climate, biodiversity and ecosystem financing, in line with decisions and commitments in the	To enhance ~~mobilization~~ provision, quality and effectiveness of ecological integrity, climate, biodiversity and ecosystem financing, in line with	

respective forums in which these issues are negotiated: a) We recommit to the objectives of the UNFCCC and the Paris Agreement and reaffirm the importance of accelerating action in this critical decade on the basis of the best available science, reflecting equity and the principle of common but differentiated responsibilities and respective capabilities, in the light of different national circumstances and in the context of sustainable development and efforts to eradicate poverty. b) We will take urgent actions to adapt to and build resilience against climate impacts, improve access to climate finance, provide new and additional financial resources and facilitate the transfer of technology to address the global climate change challenge. c) We recall the Decision on the New Collective Quantified Goal on climate finance taken at the United Nations Climate Change Conference in Baku in 2024, and commit to achieve the goal and call to action therein. d) We commit to enhance consistency and transparency in ODA and climate finance reporting, and to better measure impact of financing on development and climate, and to this end decide to set up an intergovernmental working group under the auspices of the General Assembly, with representation from all relevant ministries, to make proposals thereto, in consultation with other relevant stakeholders, including the Standing	decisions and commitments in relevant United Nations entities and treaties, and the respective forums in which these issues are negotiated: a) We reaffirm our commitments around environmental integrity in relevant United Nations entities and treaties, which are all needed to ensure that the Earth System remains within the safe space of planetary boundaries. bis. We recommit to the objectives of the UNFCCC and the Paris Agreement and reaffirm the importance of accelerating action in this critical decade on the basis of the best available science, reflecting equity and the principle of common but differentiated responsibilities and respective capabilities, in the light of different national circumstances and in the context of sustainable development and efforts to eradicate poverty. b) We will take urgent actions to adapt to and build resilience against climate impacts, with developed countries taking the lead to improve access to climate finance, provide new and additional grant-based or highly concessional public financial resources and facilitate the transfer of technology to address the global climate change challenge. We reaffirm our commitment to doubling adaptation finance and ensuring that gender transformative climate finance is provided to support the implementation of the Gender Action Plans, Adaptation Action Plans and other policy tools for climate action. We recognize the critical importance of financing Climate Change Education (CCE) to effectively integrate and mainstream climate change in all learning institutions at all levels, including community	

Committee on Finance under the UNFCCC. e) We will enhance effective mobilization of new and additional grant-based or highly concessional finance and non-debt creating instruments for just and equitable transitions, biodiversity conservation, and restoration, supported by a strengthened international financial architecture to meet agreed targets. f) We welcome the establishment and operationalization of the Global Biodiversity Framework Fund, and the launch of the Cali Fund, agreed at the 16th Conference of the Parties to the Convention on Biological Diversity, as part of the Multilateral Mechanism on the fair and equitable sharing of benefits from the use of digital sequenced information on genetic resources, which aims to mobilise new streams of funding from private sources for biodiversity action at the global level in support of the three objectives of the Convention on Biological Diversity, while recognizing the role of indigenous people and local communities as custodians of biodiversity. We urge Member States and the private sector to support these funds. g) We decide to urgently scale up contributions to the Fund for responding to Loss and Damage to respond to the increased scale and frequency of loss and damage, and ensure inclusive design and equitable allocation of funding both at the national and sub-national levels in developing countries that are particularly	learning centers and informal and alternative learning systems. Further, we recognize the importance of financing SDG data and research, including climate data. c) We recall the Decision on the New Collective Quantified Goal on climate finance taken at the United Nations Climate Change Conference in Baku in 2024, and commit to achieve the goal and call to action therein. We recall the obligation of developed countries to provide public finance for mitigation, adaptation and loss and damage. In line with escalating needs as identified through IPCC assessments reports and global stocktake, developed countries will commit to the scaling up of the provision of finance to developing countries for climate action through the implementation of an enforceable action plan with clear responsibilities, targets, accountability commitments, while increasing the quality of finance provision, ensuring non-debt creating public finance, addressing barriers to access, and assuring new and additional resources. These will contribute to deliver the accumulated climate debt that the Global North owes to the Global South of annually USD 5 trillion. d) We commit to enhance consistency and transparency in ODA, environmental integrity and climate finance reporting, and to better measure impact of financing on development, environmental integrity and climate, and to this end decide to set up an intergovernmental working group under the auspices of the General Assembly, with representation from all relevant ministries, to make proposals thereto, in consultation with other	

vulnerable to the adverse effects of climate change in responding to loss and damage. h) We commit to ensure that developing countries, in particular those vulnerable to the adverse impacts of climate change, including ocean and mountain economies, receive sufficient climate finance to support mitigation, adaptation and resilience-building, including through financing instruments such as carbon finance, risk insurance and guarantees, catastrophe bonds, climate resilience funds, debt swaps, and climate resilient debt clauses that can adequately respond to their needs and priorities, and commit to increase capacity building at the country level to access climate finance. i) We encourage multilateral and vertical climate and environmental funds to enhance alignment with national needs and priorities, and complementarity across the funds; harmonize and simplify application and execution requirements, administrative procedures, and eligibility criteria across the funds; improve access for developing countries; enhance cooperation with MDBs and national development institutions; and encourage use of domestic implementation agencies. To reduce fragmentation, we agree to incorporate new climate and environment finance initiatives within well-functioning existing structures and organisations rather than creating additional entities and to consider consolidating existing climate and environment finance initiatives, and we urge donor countries to concentrate their contributions to the operating entities	relevant stakeholders, including the Standing Committee on Finance under the UNFCCC. e) Developed countries will ~~We will~~ enhance effective provision ~~mobilization~~ of new and additional long-term, flexible, grant-based or highly concessional public finance and non-debt creating instruments for ecological, equitable and just ~~and equitable~~ transitions, ecological integrity, climate reparations, biodiversity conservation, and restoration in developing countries, supported by a strengthened international financial architecture to meet agreed targets. f) We reaffirm our commitments on biodiversity finance, recognizing that the Convention on Biological Diversity is the primary international, intergovernmental forum for negotiating the global response to biodiversity loss. We welcome the establishment and operationalization of the Global Biodiversity Framework Fund, and the launch of the Cali Fund, agreed at the 16th Conference of the Parties to the Convention on Biological Diversity, as part of the Multilateral Mechanism on the fair and equitable sharing of benefits from the use of digital sequenced information on genetic resources, which aims to mobilise new streams of funding from private sources for biodiversity action at the global level in support of the three objectives of the Convention on Biological Diversity, while recognizing the role of indigenous people and local communities as custodians of biodiversity. We urge Member States and the private sector to support these funds.	

of the Financial Mechanism of the UNFCCC and the funds serving the Paris Agreement.	g) We decide to urgently scale up contributions to the Fund for responding to Loss and Damage to respond to the increased scale and frequency of loss and damage, and ensure inclusive design and equitable allocation of funding both at the national and sub-national levels, with direct access to women, Indigenous peoples and most impacted communities, in developing countries that are particularly vulnerable to the adverse effects of climate change, while having contributed the less to it, in responding to loss and damage. h) We commit to ensure that developing countries, in particular those vulnerable to the adverse impacts of climate change, including ocean and mountain economies, receive sufficient non-debt creating public climate finance from developed countries to support mitigation, adaptation and resilience-building and to address loss and damage, ~~including through financing instruments such as carbon finance, risk insurance and guarantees, catastrophe bonds, climate resilience funds, debt swaps, and climate resilient debt clauses~~ prioritizing the role of public finance, in line with the principle of common but differentiated responsibilities and respective capabilities (CBDR-RC) to adequately respond to their needs and priorities, and commit to increase capacity building at the country level to access climate finance. i) We encourage multilateral and vertical climate and environmental funds to enhance alignment with national needs and priorities, and complementarity across the funds; harmonize and simplify application and execution requirements, administrative procedures, and eligibility criteria	

	across the funds, <u>including gender, social and human rights assessments</u>; improve access for developing countries <u>and ensure direct access to women, Indigenous Peoples, and the most impacted local communities and groups of population facing multiple and intersecting forms of discrimination</u>; enhance cooperation with MDBs and national development institutions; and encourage use of domestic implementation agencies. To reduce fragmentation, we agree to incorporate new climate and environment finance initiatives within well-functioning existing structures and organisations rather than creating additional entities and to consider consolidating existing climate and environment finance initiatives, and we urge donor countries to concentrate their contributions to the operating entities of the Financial Mechanism of the UNFCCC and the funds serving the Paris Agreement.	
II. D. International trade as an engine for development		

Summary and key takeaways:

- **<u>Lack of actionable mandates for binding multilateral agreements</u>**: In spite of comments from several G77 Member States on the Zero Draft, suggested actions remain weak and the First Draft continues to remain unambitious in articulating effective solutions. We reiterate our call for multilateral agreements under the aegis of the UN on the permanent cessation of ISDS and on reaffirming, updating and strengthening special and differential treatment in international, regional and bilateral trade agreements for developing countries. In addition to these agreements, we call for immediate actions to democratize multilateral trade, including: improving the terms of accession for developing and LDCs; redesigning of international rules and commitments to ensure policy space for pursuing public policy goals; and, finally, the termination of unilateral economic, financial or trade measures that are inconsistent with the principles of international law and the Charter of the United Nations, building on the work of the United Nations System, or create adverse impact on sustainable development.

- **<u>The democratization of trade governance (trade institutions and agreements) for sustainable development in the Global South:</u>** The WTO is still being projected and promoted as the only major trade institution which can offer policy tools for trade and development. But the experience of the WTO since 1995 has shown that it has not only failed to deliver on development, but it has also actively obstructed the pursuit of development across Global South countries and in particular failed to address the interests of more vulnerable countries and constituencies such as women, the poor, farmers and fishers, workers, patient groups, indigenous communities and so on. It is time for a review of the WTO as well as other bilateral and regional trade and investment agreements, especially North-South trade agreements, to ensure these agreements and institutions deliver on sustainable development objectives of Global South countries and fulfill their right to development. FfD4 should move beyond the reductionist notion that trade multilateralism begins and ends with WTO and rather embrace an ecosystem approach that includes UNGA, ECOSOC and the UNCTAD's Trade and Development Board, and may even consider new institutions, in order to a establish a truly democratic, representative, participatory and transparent inter-governmental review under the aegis of the UN.

- **Policy space for structural transformation rather than Global Value Chains:** The First Draft features significant promotion of global value chains (GVCs) and trade liberalisation to engage in them. However, developing countries and LDCS have not gained enough from their engagement in GVCs, having failed to move up to the higher end of such value chains which remain controlled by Global North companies through the control of technology and intellectual property rights. In contrast, there is not enough focus on the need for national policy space in developing countries and LDCs, for example in African countries, to pursue structural transformation, industrialization, beneficiation and broad sustainable development.

- **Handle with care – Critical Minerals:** The section on critical minerals should be maintained only if it unambiguously protects the sovereignty of developing countries over these resources and strengthens the policy space for the use of these resources to advance developing countries' pathways to structural transformation, economic sovereignty and their own pursuit of sustainable development. We remain concerned with possible attempts by Global North countries to use this section to undermine developing countries' control over these resources and reinforce extractive models and practices.

35. International trade as an engine for development is increasingly under threat. Tariffs and trade restrictions are on the rise globally amidst rising trade tensions and stalling multilateral negotiations. Digital technology is creating new trading opportunities, while automation threatens development models reliant on the export of low-cost manufactured goods. Developing countries, in particular LDCs, LLDCs and SIDS with limited productive capacities and trade infrastructure, have challenges integrating into regional and global value chains. This calls for concrete measures to improve their capacities to trade and generate value-added, with a focus on the furthest behind including from trade in commodities and critical minerals. It also calls for a recommitment to multilateral trade that upholds policy space for sustainable development within a universal, rules-based, fair, open, transparent, predictable, inclusive, non-discriminatory and equitable	35. International trade as an engine for development is increasingly under threat. Tariffs, unilateral measures and trade restrictions are on the rise globally amidst rising trade tensions and stalling multilateral negotiations. Inappropriate or predatory trade policies drive countries into debt and have outsized negative impacts on women and other marginalized constituencies. Digital technology is creating new trading opportunities for those with technological power, while automation threatens development models reliant on the export of low-cost manufactured goods. Developing countries, in particular LDCs, LLDCs and SIDS with limited productive capacities and trade infrastructure, have challenges integrating into regional and global value chains at a higher level. This calls for concrete measures to improve their capacities to trade and generate value-added, with a focus on the furthest behind including from	Trade is inextricably connected to development and at a basic level is therefore about people. The section must emphasize upfront the human as well as economic impacts of trade, to capture what is at stake if continued trade imbalances persist. Digital trade and increasing digitalization do not create equal opportunities for all. Reiterating language around digital trade imbalance remains important. There is overwhelming focus on integrating into the regional and global value chains, but it is the level and quality of integration that needs attention as it has been at the bottom of the value chain, and has failed to lead to structural

system. To promote such a multilateral trading system, countries should refrain from imposing unilateral economic, financial or trade measures not in accordance with international law and the Charter of the United Nations. There are also concerns about the implications of unilateral trade-related environmental measures on sustainable development.	trade in commodities and critical minerals. It also calls for a recommitment to a multilateral trading system that is universal, democratic, rules-based, fair, open, transparent, predictable, inclusive, non-discriminatory and equitable, and that upholds policy space through the reform of obsolete investment agreements. To promote such a multilateral trading system, countries should refrain from imposing unilateral economic, financial or trade measures not in accordance with international law and the Charter of the United Nations. There are also concerns about the implications of unilateral trade-related environmental measures on the policy space of developing countries to invest in sustainable development.	transformation across most Global South countries.
36. To preserve the multilateral trading system as a key driver of economic growth and sustainable development: **Multilateral trading system through the World Trade Organization** a) We recommit to a universal, rules-based, fair, open, transparent, predictable, inclusive, nondiscriminatory, and equitable multilateral trading system with the World Trade Organization (WTO) at its core. We urge WTO members to accelerate the accession of developing countries in the process of, or considering, accession the WTO and to provide technical assistance to support them. b) We call on WTO members to fully implement WTO agreements on Trade Facilitation, including through capacity building to developing countries, and to swiftly proceed with the legal integration	36. To ensure ~~preserve~~ the multilateral trading system starts to act as a key driver of economic growth and sustainable development in developing countries and LDCs: **Revitalize and democratize the multilateral trading system through the World Trade Organization and other multilateral institutions** a) We recommit to a universal, democratic, rules-based, fair, open, transparent, predictable, inclusive, nondiscriminatory, and equitable multilateral trading system ~~with~~ including the World Trade Organization (WTO) ~~at its core~~. We urge WTO members to accelerate the accession of developing countries and LDCs in the process of, or considering, accession the WTO on terms that are not less favorable than accorded to developing countries that form the	The current multilateral trading system has not delivered on development promises, has instead exacerbated inequalities and failed to protect vulnerable countries and constituencies across the Global South. Too much dependence on the WTO has limited its effectiveness to deliver on development objectives. The system must be revitalized and democratized and further broadened to include other multilateral institutions such as UNCTAD, UNGA and ECOSOC.

of the Investment Facilitation for Development Agreement into the WTO framework.	original membership of the WTO, and to provide technical assistance to support them.	
c) We urge the finalization of pending agreements, including the one on Fisheries Subsidies. d) We note with concern that the commitment made at the 13th WTO Ministerial Conference to have a fully and well-functioning dispute settlement system has not been fulfilled by December 2024, and call on WTO members to deliver on this commitment at the latest by the 14th WTO Ministerial Conference in 2026.	b) We call on WTO members to fully implement WTO agreements on Trade Facilitation, including through capacity building to developing countries, and to swiftly address the implementation issues raised by developing countries and LDCs by the 14th WTO Ministerial Conference in 2026. ~~proceed with the legal integration of the Investment Facilitation for Development Agreement into the WTO framework~~	**Comment 36.b):** The implementation issues have been outlined in longstanding proposals by the G90 but have not been addressed so far. These will help developing countries implement their WTO commitments. Further, the proposed Investment Facilitation Agreement cannot be legally integrated into the WTO framework under Annex 4 without "explicit consensus" which means all WTO Members must agree. Currently, there is no explicit consensus. If there was, it would have automatically got legally integrated. It must also be kept in mind that the proposed Investment Facilitation Agreement will significantly reduce regulatory policy space across developing countries in the name of facilitating investment flows.
e) We encourage WTO members to strengthen special and differential treatment to be more precise, effective and operational for developing countries, in particular LDCs, LLDCs and SIDS, improve its application, and take steps to provide such treatment for net food-importing developing countries. We commit to a review of the rules of origin with a view to streamline and simplify them, in order to enable developing countries to take full advantage of preferential trade arrangements.	~~c) We urge the finalization of pending agreements, including the one on Fisheries Subsidies~~	**Comment 36.c)**: We proposed deletion. The conclusion of any further agreements should be conditional to the revitalization and democratization of the multilateral trading system. If fisheries subsidies agreement is singled out, it is imperative to emphasize that it must fulfill the full mandate of SDG 14.6 including special and differential treatment and other issues such as the Special Safeguard Mechanism and trade distorting subsidies.
f) We invite the United Nations Secretary-General in collaboration with the WTO Director-General and relevant actors to review the role of trade as an engine for sustainable development and the Sustainable Development Goals, taking into account the ongoing reforms at the WTO, building on inputs from Member States and make recommendations, including on enhancing the development	d) We note with concern that the commitment made at the 13th WTO Ministerial Conference to have a fully fair, equitable, and well-	**Comment 36.d)**: We suggest the final sentence related to rules of origin be brought back from the Zero Draft.

dimensions of a universal, rules-based, non-discriminatory, transparent, open, fair and predictable multilateral trading system. **Regional trade integration** g) We encourage the consolidation, expansion and deepening of regional trade agreements, including the African Continental Free Trade Area, and support ongoing inter-regional trade agreements to promote inclusive growth and sustainable development through technical assistance.	functioning dispute settlement system has not been fulfilled by December 2024, and call on WTO members to deliver an improved dispute settlement system that works for all, especially developing countries and LDCs, ~~on this commitment~~ at the latest by the 14th WTO Ministerial Conference in 2026. We commit to a review of the rules of origin with a view to streamline and simplify them, to enable developing countries to take full advantage of preferential trade.	
Policy space in trade agreements h) We will work to ensure that the multilateral trade system provides all Member States, in particular developing countries, with sufficient policy space to invest in sustainable development, while remaining consistent with WTO rules.	e) We ~~encourage WTO members to~~ agree to establish a multilateral agreement under the UN that reaffirms, updates and strengthens special and differential treatment in multilateral, regional and bilateral trade agreements to be more precise, effective and operational for developing countries, in particular LDCs, LLDCs and SIDS.~~,~~ Such an agreement will also improve its application, and take steps to provide such treatment for net food-importing developing countries. We commit to a review of the rules of origin with a view to streamline and simplify them, in order to enable developing countries to take full advantage of preferential trade arrangements.	**Comment 36.e)**: "Encourage" is too weak and not clearly actionable. There should be a multilateral agreement under the UN that reaffirms, updates and strengthens S&DT which has been undermined and restricted for long.
i) We resolve to undertake reform of the mechanisms for investor-state dispute settlements in trade and investment agreements through a multilateral approach and establish an advisory support service for developing countries for international investment dispute settlements, building on the ongoing work of the United Nations Commission on International Trade Law (UNCITRAL). j) We resolve to accelerate the replacement and termination of outdated investment agreements that hinder progress on the Sustainable Development Goals, building on existing efforts by all stakeholders,	f) We agree to initiate democratic, representative, participatory and transparent inter-governmental review under the aegis of the UN ~~invite the United Nations Secretary-General in collaboration with the WTO Director-General and relevant actors~~ to review the role of trade as an engine for sustainable development and the Sustainable Development Goals, taking into account the ongoing reforms at the WTO, building on inputs from Member States and	**Comment 36.f)**: This very important review should be a Member-led inter-governmental process and not one led by heads of any institution.

including by United Nations Trade and Development (UNCTAD). **Trade measures which restrict or distort trade** k) We call on members of the WTO to conclude negotiations on a permanent solution to the issue of public stockholding to address food insecurity. l) We call for discussion in the relevant multilateral fora and agencies on trade-related environmental measures and their impact on the trade and development prospects of developing countries. m) We invite the ECOSOC FFD Forum to consider the impact on sustainable development of unilateral economic, financial or trade measures that are inconsistent with the principles of international law and the Charter of the United Nations, building on the work of the United Nations system.	make recommendations, including on enhancing the development dimensions of a universal, rules-based, non-discriminatory, democratic, transparent, open, fair and predictable multilateral trading system. **Regional trade integration** g) We will support ~~encourage~~ the consolidation, expansion and deepening of regional and South-South trade agreements, including the African Continental Free Trade Area, and support ongoing inter-regional trade agreements to promote inclusive growth and sustainable development ~~through technical assistance~~ within developing countries and in their LDC partner countries. We will ensure that South-South trade arrangements are not undermined by bilateral North-South trade agreements. **Policy space in trade agreements** h) We will work to ensure that the global ~~multilateral~~ trade system provides ~~all Member States, in particular~~ developing countries and LDCs, with sufficient policy space to invest in structural transformation, industrialization, food security and sustainable development, redesigning ~~while remaining consistent with WTO~~ trade rules as needed to ensure fulfillment of the rights and needs of people, workers, women, and other marginalized constituencies.	**Comment 36.h)**: Para 36.h is a critical tool for developing countries and LDCs. They need the policy space to design policies in critical areas. We would recommend bringing back key elements of policy space and highlighting the need for policy space for structural transformation, industrialization, food security and for meeting sustainable development. Second, this tool must be kept only for developing countries and LDCs, as the development gap from developed countries still remains massive in absolute terms. Third, the trade system must not be limited to the WTO but must cover bilateral and regional trade and investment agreements. Fourth, this policy

		space cannot be granted within the existing trade rules which must be designed to yield the needed policy space.
	i) We resolve to ~~undertake reform of the mechanisms for~~ reach a multilateral agreement for the coordinated and permanent cessation of investor-state dispute settlements provisions in trade and investment agreements ~~through a multilateral approach~~ and establish an advisory support service for developing countries for international investment dispute settlements, ~~building on the ongoing work of the United Nations Commission on International Trade Law (UNCITRAL),~~ as well as agree on a standstill of all pending ISDS cases until such an agreement is achieved.	**Comment 36.i):** Many developed countries have also called for a cessation of the ISDS, so Ffd 4 can deliver on a more ambitious demand than mere reform of the ISDS and agree on permanent cessation. This is the opportune moment for such a decision. Further the work of UNCITRAL has several critique (see https://library.fes.de/pdf-files/bueros/genf/18297.pdf) and therefore a multilateral approach based primarily on UNCITRAL work will be unable to solve the real issues.
	Trade measures which restrict or distort trade k) We call on members of the WTO to conclude negotiations on a permanent solution to the issue of public stockholding to address food insecurity and call for the elimination of all forms of distortionary agricultural export subsidies while integrating special and differential treatment. We will strengthen our efforts to enhance food security and nutrition and focus our efforts to protect livelihoods and food security of smallholders and women farmers, as well as support on agricultural cooperatives and farmers' networks.	**Comment 36.k):** It is important to retain this paragraph and to ensure livelihoods, food security and support for small holders. It is important to note the permanent solution on public stockholding (PSH) was mandated to be delivered at the 2017 Buenos Aires Ministerial but still remains unconcluded. Moreover more than 80 countries spanning the African Group, the G33 and the ACP group have submitted a joint proposal JOB/AG/229 on the permanent solution which still remains on the table for negotiations.
	l) We call for discussion in the relevant	

	multilateral fora and agencies on trade-related environmental measures and their impact on the trade and development prospects of developing countries, and for measures to be taken to mitigate any negative impact. m) We ~~invite the ECOSOC FFD Forum to~~ call for the immediate termination ~~consider the impact on sustainable development~~ of unilateral economic, financial or trade measures that are inconsistent with the principles of international law, human rights, ~~and~~ the Charter of the United Nations, ~~building on the work of the United Nations system.~~, or create adverse impact on sustainable development. Any measure premised on sustainability should be multilaterally agreed, transparent, democratic, based on the principle of CBDR and balance the three dimensions of sustainable development, namely economic, social and environmental, building on the work of the United Nations system.	**Comment 36.l)** This paragraph must be preserved and further reference to the need for measures to mitigate negative impacts of trade related environmental measures must be added. **Comment 36.m):** Unilateral trade measures must be outright banned. Sustainability related trade measures cannot be imposed without the affected countries being consulted. Such measures will cause widespread adverse impact on all the three dimensions of sustainable development and is a deterrent and not an incentive to meeting sustainability objectives.
37. To strengthen trade capacities of developing countries, in particular LDCs, LLDCs and SIDS, and their ability to integrate intro regional and global value chains in a very challenging global context: a) We commit to develop trade-related physical and digital infrastructure, with emphasis on developing transport corridors, in particular for easing trade bottlenecks for the LLDCs and SIDS and to support trade facilitation and connectivity. We urge all MDBs and other	37. To strengthen trade and productive capacities of developing countries, in particular LDCs, LLDCs and SIDS, and their ability to meaningfully integrate into and move up regional and global value chains in a way that supports their structural transformation ~~very challenging global context~~:	**Comment 37**. While there is significant push here for integration of developing countries, LDCs, LLDCs and SIDS into GVCs through trade liberalisation, it is much more critical to actually be able to move these countries up the value chain for higher returns from such integration which are currently controlled by Global MNCs through the control of technology.

PDBs to increase investment in developing country trade-related infrastructure, including core digital infrastructure, roads, railways, and ports, as well as power grids. b) We will support digital trade by strengthening multilateral and regional collaboration on digital trade regulations, cross-border e-commerce rules, and interoperable systems. We will also provide financial and technical assistance to producers in developing countries on compliance with mandatory and voluntary international standards, including sustainability standards, and facilitate their market access. c) We will strengthen the important role of UNCTAD for the integrated treatment of trade and development and interrelated issues in the areas of finance, technology, investment and sustainable development. d) We encourage PDBs to enhance access and expand trade finance facilities, including for MSMEs, and women and youth-owned businesses, to better integrate them in regional and global value chains.	b) We will support digital trade by strengthening multilateral and regional collaboration on digital trade while retaining full policy space for domestic regulations, in a manner that does not undermine but strengthens domestic providers and suppliers of services in developing countries and LDCs. ~~regulations, cross-border e-commerce rules, and interoperable systems~~. We will also provide financial and technical assistance to producers in developing countries on compliance with mandatory and voluntary international standards, including sustainability standards, and facilitate their market access. c) We will strengthen the important role of UNCTAD for the integrated treatment of trade and development and interrelated issues in the areas of finance, technology, investment and sustainable development, including gender equality and women's economic justice. d) We encourage PDBs to enhance access and expand trade finance facilities, including for MSMEs, and women and youth-owned businesses, to equitably ~~better~~ integrate them in regional and global value chains.	**Comment 37.b):** Developing countries and LDCs, where digital sector polices are still nascent, must retain full policy space over their digital economy including over data, in order to ensure the sector can develop to its full potential and works for domestic sustainable development. **Comment 37.c):** Gender equality and women's economic justice are important considerations and goals when addressing trade and development.
38. To boost trade in LDCs, many of which remain marginalized and dependent on natural resources and primary commodity exports:		**We strongly support this section.**

a) We call on WTO members, including developing country WTO members declaring themselves in a position to do so, to strengthen preferential market access for LDCs by ensuring the full implementation of duty-free, quota-free market access for all products originating from LDCs and by simplifying rules of origin. We also call on extending special and differential treatment measures and exemptions available to LDCs to recently graduated countries for a period appropriate to their development situation. b) We commit to increasing support to LDCs to industrialize, diversify exports, develop service exports including through strengthened implementation of the LDC services waiver, and to integrate their products into regional and global value chains. We will phase out trade restrictions, including escalating tariffs, that prevent LDCs from locally processing natural resources. We will promote tailored technical and finance assistance to LDCs in processing commodity and agricultural products to add value locally, and their ability to conform to international quality and sustainability standards. c) We will enhance capacity building for LDC governments in international trade negotiations. d) We call for development of productive and transformative capacity building programmes in LDCs, driven through initiatives such as UNCTAD's National Productive Capacities Gap Assessment.	a. We call on WTO members, including developing country WTO members declaring themselves in a position to do so, to strengthen preferential market access for LDCs by ensuring the full implementation of duty-free, quota-free market access for all products originating from all LDCs by simplifying rules of origin. We also call on extending special and differential treatment measures and exemptions available to LDCs to graduated ~~countries~~ LDCs for a period deemed appropriate to their development situation by them.	**Comment 38.a):** At the WTO, graduating LDCs have asked for 12 years transition but have been promised only 3 years so far. The graduating LDCs are best suited to judge their own capacity to deal with the loss of trade preferences after graduation and they must determine an appropriate transition period. For example, many LDCs such as Bangladesh and Nepal have to comply with the TRIPS Agreement after graduation which will adversely affect their generic pharmaceutical industry and therefore access to medicines for their citizens.

e) We commit to scale up aid for trade infrastructure and facilitation with the objective of doubling Aid for Trade to LDCs by 2031 and continue to allocate at least 50 per cent to building traderelated infrastructure and enhance its efficiency and effectiveness.		
39. To increase local value addition and beneficiation of critical minerals and commodities in developing countries: a) We encourage development partners and IFIs to engage in global commodity partnerships to support production, refining and processing of critical minerals in developing countries, and support value-added activities by providing risk-sharing financing, technical assistance, capacity building, and developing market linkages. We will promote regional arrangements towards this end. b) We will strive to develop a global traceability, transparency and accountability framework along the entire mineral value chain and full life cycle – from mining to recycling – to strengthen due diligence, facilitate corporate accountability and build a global market for critical minerals that enhances a fair distribution of benefits between producers and consumers. c) We invite countries to increase voluntary contributions to the Common Fund for Commodities, to enable the fund to scale up support to developing countries, especially LDCs, for projects that promote value addition, particularly in agriculture,	39.To increase local value addition and beneficiation of critical minerals and commodities in developing countries there is critical need for developing countries that own critical minerals to have full trade and investment policy flexibility to ensure the best nationally suitable deployment of such resources: a. We will ~~encourage development partners and IFIs to engage in global commodity partnerships to~~ support production, refining and processing of critical minerals in developing countries that is nationally owned and controlled by the countries of origin.~~,~~ Resource rich developing countries and LDCs must have full policy flexibility to determine their own trade and investment policy with regard to their critical minerals. We will support this and value-added activities that are conductive to the structural transformation of their economies by providing risk-sharing financing, technical assistance, capacity building, and developing market linkages. We will promote regional arrangements towards this end. b. We will strive to develop a global traceability, transparency and accountability framework along the entire mineral value chain and full life cycle – from mining to recycling – to strengthen	This section is on trade, and therefore must focus on the trade policy needs of developing countries that own critical minerals and the national policy sovereignty and regulatory control they must have over the use of such resources. For example, they must be able to impose export restrictions or taxes, impose conditionalities on investment and so on. **Comment 39.a):** Developing countries and LDCs must have the right and policy space to ensure the use of the critical minerals for their structural transformation, industrialisation, and beneficiation. **Comment 39.b):** This paragraph comes from the UNSG panel report and is one of the recommendations thereof. But interestingly, the line "though the framework should not be used

and to expand into processing and manufacturing. d) We stress the importance of providing support to developing countries to negotiate commodity contracts with terms that provide predictability and stability for investment, while also providing revenue certainty for governments and flexibility to respond to changes in economic and market conditions. We also encourage developing countries to implement necessary regulatory reforms and to create a business environment that attracts investments aligned with their sustainable development plans. e) We encourage collaborative efforts involving governments, regulators, industry stakeholders, and civil society to foster fair, transparent, and resilient commodity markets that benefit all participants in a fair way and contribute positively to global economic stability and sustainability.	due diligence of trans-national corporations and facilitate corporate regulation and accountability, though the framework should not be used as a unilateral trade barrier. It must uphold the rights of local communities and stay within planetary boundaries, ~~and build a global market for critical minerals that enhances a fair distribution of benefits between producers and consumers~~ ensuring that there is no contravention of outcomes of multilateral environmental agreements. c. d. We stress the importance of providing support to developing countries to negotiate commodity contracts with terms that provide predictability and stability for investment and developing countries, including LDCs, while also providing revenue certainty for governments and flexibility and policy space to respond to changes in economic and market conditions, and pursue their structural transformation and sustainable development interests. We also encourage developing countries to design and implement necessary regulatory reforms and to create a business environment that attracts investments aligned with their sustainable development plans. e. We encourage collaborative efforts involving governments, regulators, industry stakeholders, and civil society to foster fair, transparent, accountable and resilient commodity markets, based on peoples' free, prior and informed consent, that benefit all participants in a fair way and contribute positively to global economic stability and sustainability	as a unilateral trade barrier" contained in the original recommendation has been deleted from this draft. We strongly suggest it should be added back, and we also suggest other tweaks and additions for improving clarity and objective of this para. **Comment 39.d):** Policy space for structural transformation is a core priority and should be reiterated in close connection with commodity contracts and their macroeconomic impacts. **Comment 39.e):** It is important to emphasize one final time the human effects of trade and what constitutes fair trade.

<table>
<tr><td>II. E. Debt and debt sustainability</td><td></td><td></td></tr>
<tr><td colspan="3">Summary and key takeaways:
• We particularly welcome the proposal for an intergovernmental group to work on debt architecture reform. We understand this Member State process should lead to the adoption of a sovereign debt legal framework, in the form of a framework convention, to discuss and decide on a comprehensive reform of the debt architecture, particularly the establishment of a multilateral sovereign debt resolution mechanism, as envisioned in the Monterrey consensus (43e). Such a debt convention has already been proposed by AOSIS , Cuba,Egypt, Pakistan and Brazil in their input to the zero draft: “With a view to closing gaps in the debt architecture, we will initiate an intergovernmental process at the United Nations, under the General Assembly in its 80th Session, to establish an international convention, which includes, inter alia, a multilateral sovereign debt mechanism”.
• Such framework convention should be the context in which other urgent reforms of the debt architecture should be discussed, and not ad-hoc working groups established by the SG in a piecemeal approach that would only reinforce the fragmented nature of the debt architecture. We particularly welcome the inclusion in the draft of the following reforms, which should be defined by all Member States in a sovereign debt framework convention:
o Developing binding principles on responsible sovereign borrowing and lending, building on the UNCTAD Principles on Promoting Responsible Sovereign Lending and Borrowing (41a)
o Establishment of a single global central debt data registry, that should be housed in an independent institution under UN auspices
o Definition of a model law for domestic legislation on debt restructurings
• It is particularly problematic the strengthening of the role that this first draft attempts to give to the Bretton Woods Institutions. The IMF and the World Bank, together with the G7 and G20, are the backbone of the creditor-dominated architecture that has historically failed in delivering fair, lasting solutions for global south countries dealing with debt challenges, and continues to do so. These are exclusionary institutions, where borrowing countries have little to no decision power, and there should be no further mandates given to them through FfD4 that would only strengthen the undemocratic status quo that has taken countries to a new debt crisis. We are also concerned about the persistence on proposing debt swaps when these have been proved as inadequate solutions to the debt and liquidity challenges.</td></tr>
<tr><td>40. Amid successive crises, disasters, climate and other shocks, sovereign debt challenges have become one of the greatest obstacles to realizing sustainable development. While multilateral lenders have increased concessional lending in response to these shocks, many developing countries still face high debt service burdens and borrowing costs, which severely constrain their fiscal space and ability to address poverty and inequality and invest in sustainable development. There has been progress in reforming the sovereign debt architecture. However, when countries seek to restructure their debt, restructurings are often still inadequate, late and too lengthy. As borrowing is a critical tool for financing sustainable development</td><td>40. Amid successive crises, disasters, climate and other shocks, sovereign debt challenges have become one of the greatest obstacles to realizing sustainable development. ~~While multilateral lenders have increased concessional lending in response to these shocks,~~ Many developing countries still face high debt service burdens and borrowing costs, which severely constrain their fiscal space and ability to address poverty and inequality, having a disproportionate impact on some groups, particularly women and girls, and invest in sustainable development particularly education and health public services, and the fulfilment of human rights and environmental</td><td>Multilaterals have increased concessional financing mainly in LICs, and at a low scale. Increase in non-concessional lending from multilateral institutions has worsened the situation of high debt service burdens.

Sovereign debt architecture is not just about debt restructuring, but about the whole debt cycle. Therefore, progress cannot be measured by the meagre results of the Common Framework, accessible to a few countries that have waited for a long process that did not fit the urgency and scale debt reduction required.</td></tr>
</table>

investment, we must put in place a development-oriented debt architecture that enhances responsible borrowing and lending; supports developing countries to lower their cost of capital and enhance their fiscal space; achieves efficient, fair, predictable, coordinated, timely and orderly restructurings; and is based on sound and transparent analysis of sovereign debt sustainability, which is crucial for the smooth functioning and fair pricing of debt markets.	obligations (climate action, biodiversity protection, addressing pollution). ~~There has been progress in reforming the sovereign debt architecture.~~ ~~However,~~ when countries need debt cancellations and/or seek to restructure their debt, restructurings are often still inadequate, late and too lengthy, and end up with insufficient debt relief. Restructuring debt should be triggered when essential levels of social rights are infringed, so there is sufficient fiscal space to ensure public services can fulfill essential needs. As borrowing is a critical tool for financing sustainable development investment, we must put in place a development-oriented debt architecture that enhances responsible borrowing and lending; supports developing countries with debt cancellation and to lower their cost of capital and enhance their fiscal space; achieves efficient, fair, predictable, coordinated, timely and orderly restructurings; and is based on sound and transparent analysis of sovereign debt sustainability, which is crucial for the smooth functioning and fair pricing of debt markets	
41.To strengthen debt management, debt transparency, and responsible borrowing and lending, which are critical to address public debt accumulation and rising vulnerabilities: a) We request the United Nations Secretary-General to create an independent expert working group to consolidate and develop guiding principles on responsible sovereign borrowing and lending, building on the UNCTAD Principles on Promoting Responsible Sovereign Lending and Borrowing, the G20 Operational Guidelines for Sustainable Financing, and	a) We ~~request the United Nations Secretary-General~~ decide to ~~create an independent expert working group~~ establish an intergovernmental group under the auspices of the United Nations Secretary-General to ~~consolidate and develop guiding~~ agree on a legally binding framework on debt that includes developing binding principles on responsible sovereign borrowing and lending,	a) There is no reason to single out IMF and WB as relevant stakeholders for the RSLB working Group. There are other stakeholders which are also relevant. Being consistent with the para, if a working group is created, it should start with UNCTAD at the head of it. However, the UN SG has already set up a debt working group in December:

other relevant principles and guidelines, and to design tools for continuous monitoring and assessment of their implementation across different stages of the sovereign debt cycle, including issuance, management, sustainability, repayment and restructuring. The working group will include relevant stakeholders, such as the IMF and the World Bank, and work in consultation with Member States, and will update Member States on its progress at the 2026 FFD Forum, and present its findings for consideration at the 2027 FFD Forum. b) We commit to enhance parliamentary oversight and strengthen public investment management systems, with the aim of increasing transparency and accountability over domestic and external debt issuance and use. We will scale up capacity building to support developing countries to enable them to better manage their public debt, improve debt data transparency, and effectively invest borrowed resources. c) We urge the streamlining and consolidation of existing debt databases into a single global central debt data registry, housed in the World Bank, to harmonize and strengthen debt data reporting, enhance debt transparency, and reduce reporting burdens. We commit to improve debt disclosure by both borrowing countries and creditors. d) We commit to include state-contingent clauses in official lending, including climate-resilient debt clauses. We call on all creditors to use standardized state-	building on the UNCTAD Principles on Promoting Responsible Sovereign Lending and Borrowing~~, the G20 Operational Guidelines for Sustainable Financing~~, and other relevant principles and guidelines, and to design tools for continuous monitoring and assessment of their implementation across different stages of the sovereign debt cycle, including issuance, management, sustainability, repayment and restructuring. The review of the UNCTAD principles ~~working group~~ will include relevant stakeholders~~, such as the IMF and the World Bank,~~ and work in consultation with Member States, and will update Member States on its progress at the 2026 FFD Forum, and present its findings for consideration at the 2027 FFD Forum. b) We commit to enhanced parliamentary and Supreme Audit Institution (SAI) oversight, robust public engagement with civil society and communities and strengthened public investment management systems in the contracting, negotiation and management of debt, with the aim to increase transparency and accountability over domestic and external debt issuance and use. We also commit to increase transparency and accountability from the lender side, including official and private creditors. We pledge to support the efforts of Supreme Audit Institutions by facilitating the development of debt audits and promoting the active participation of civil society in debt monitoring initiatives, including through ex post and ex ante gender, human rights, labor and environmental impact assessments. ~~We will scale up capacity building to support developing countries better manage their~~	https://www.un.org/sg/en/content/sg/note-correspondents/2024-12-06/note-correspondents-un-secretary-general-appoints-group-of-experts-promote-policy-solutions-resolve-debt-crisis. There is no need for more SG-led expert working groups on debt. The gap is the need for binding (not voluntary) principles on responsible borrowing and lending. Agreement should be not only developing the principles, a process of revision and updating the existing UNCTAD principles is important, but the core of this point should be the adoption of binding principles. The G20 guidelines should not be used as a starting point, as they have been designed by a restricted informal group of countries led by creditors. b) We welcome the reference to enhanced parliamentary oversight. However, this is not a 'capacity building' issue. The issue is the lack of an international legal framework that establishes clear norms/standards to address sovereign debt issues. We commend the commitment to "enhanced parliamentary oversight and strengthened public investment management systems." However, to strengthen accountability of debt contraction and management specific provisions on the role of other oversight institutions such as, Supreme Audit Institutions, through the development of debt audits needs to be included. Also is critical to recognise the role of Civil Society, monitoring and scrutinising debt decisions and management.

contingent clauses in loan and debt contracts, taking into account countries' needs and circumstances, and to ensure debt service suspension during times of crises, disasters and shocks that are not covered by standard force majeure clauses. Building on the progress made by IFIs, we invite the relevant IFIs to implement solutions to help mainstream state-contingent clauses into commercial debt contracts, such as through re-insurance, and encourage donors to support this work. e) We encourage official creditors to increase lending in local currencies in developing countries to address currency risks and identify solutions to reduce the costs and other challenges associated with such lending. f) We will strengthen measures to curb corrupt borrowing and lending, including by fully utilizing UNCAC, and we will work through its Conference of the State Parties to explore options to make such contracts unenforceable. g) We will strengthen platforms for borrower countries to coordinate approaches and share information and experiences.	~~public debt, including domestic debt, and effectively invest borrowed resources~~. c) We ~~urge the streamlining and consolidation of existing debt databases into~~ decide to establish an intergovernmental process under the auspices of the United Nations to agree a legally binding framework on debt that includes the creation of a single binding global central debt data registry accessible to the public and with the necessary funding, housed ~~in the World Bank,~~ in a permanent and relevant international institution within the UN system, to harmonize and strengthen debt data reporting, enhance debt transparency, and reduce reporting burdens, as well as align with improved domestic reporting on public debt, in consultation with parliaments and civil society, social movements and indigenous peoples. Such registry should include all debt operations and current holders of outstanding debt and apply to all lenders, including bondholders and other commercial lenders. Registering should be binding for all debt creating operations, and debts not included in the registry should not be enforceable by national courts. We commit to improve debt disclosure by both borrowing countries and creditors. d) We commit to include state-contingent clauses in official lending, including climate-resilient debt clauses. We call on all creditors to use standardized state-contingent clauses in loan and debt contracts, taking into account countries' needs and circumstances, and to ensure risk-sharing of external shocks and crises between lenders and borrowers, including through debt service standstills ~~suspension~~ during times of crises, disasters and shocks that are not covered by standard	We encourage commitments to strengthen the whole-of-government approach also on the accountability for public debt. This should include robust oversight from Supreme Audit Institutions (SAIs) as well as spaces for public dialogue around the impacts and trade-offs in decisions around borrowing and public debt management. c) Notably, the recommendation to establish a single global central debt data registry to harmonize debt data reporting is commendable. To avoid yet another failed creditor-led debt transparency initiative (i.e. OECD DTI https://debtjustice.org.uk/press-release/banks-break-own-rules-to-hide-over-30-billion-of-loans-to-lower-income-countries) All decision-making on debt, including transparency, needs to be led by UN member states in an inclusive, intergovernmental process. To further strengthen transparency and enhance the effectiveness of such a registry, the FfD4 should consider including special provisions to mandate information sharing by private lenders (bondholders and commercial lenders). We also encourage efforts to improve public debt transparency to focus not just on the needs of creditors, but also on the information needs of domestic audiences and to encourage governments to improve domestic reporting on public debt. d) Lending and restructuring agreements include governance safeguards that prevent

	force majeure clauses. Building on the progress made by IFIs, we urge all multilateral and bilateral financial institutions ~~invite the relevant IFIs~~ to implement solutions to help mainstream state-contingent clauses into commercial debt contracts, such as through re-insurance, and encourage donors to support this work. e) RETAIN f) RETAIN g) We will strengthen and support the creation of platforms for borrower countries to discuss technical issues, coordinate approaches and share information and experiences in addressing debt challenges.	corruption and take into account local civil society demands. f) Recommend referencing UNCAC article 34* Consequences of acts of corruption: *Article 34 establishes "…In this context, States Parties may consider corruption a relevant factor in legal proceedings to annul or rescind a contract, withdraw a concession or other similar instrument or take any other remedial action." We would welcome a request to ensure opportunities for meaningful consultation and scrutiny of public debt decisions by civil society and citizens. This should include participation in governance diagnostics and the oversight of debt resource management, as well as integrating debt management with public financial management systems to ensure alignment between borrowing and fiscal policy strategies.
42.To significantly lower the cost of borrowing and to provide more comprehensive and systematic support for countries that, while solvent, face high debt servicing costs: a) We call for the full operationalization of the SIDS Debt Sustainability Support Service to enable sound debt management and to devise effective solutions for SIDS to address debt vulnerability in the immediate term and debt sustainability in the long term, including through assistance on legal and financial advice on debt contract management, building local	42. To significantly reduce high debt servicing costs and lower the cost of borrowing and to provide more comprehensive and systematic support for countries that~~, while solvent,~~ face high debt servicing costs: ADD a bis) We agree with all creditors to provide coordinated and unconditional debt cancellation of all unsustainable and illegitimate debts for global south countries to be able to comply with the 2030 agenda; the Paris Agreement and fulfil fundamental human rights obligations.	Civil society proposal is to "Deliver immediate cancellation of all unsustainable and illegitimate debts, from all creditors, consistent with states' human rights obligations." LDCs, LLDCs, Mexico and Zambia support the need for debt relief in their inputs to the elements paper. Debt cancellation should be unconditional and Member states should agree on eliminating detrimental loan conditionalities that divert crucial resources from ensuring sustained fulfilment of fundamental human rights, SDGs and climate action. Several resolutions of the UNGA and HRC reiterate the obligations to ensure that "debt service does not

negotiating capacities, and strengthening data and technical capacity. We will consider expanding its eligibility to cover other developing countries, including LDCs. b) We encourage official creditors to provide coordinated and enhanced liquidity and liability management support to developing countries committed to their ambitious development objectives and appreciate ongoing efforts in this area, including the three-pillar approach proposed by the IMF and the World Bank to help address liquidity challenges. We call for further strengthening and systematizing this liquidity and liability management support by finding an institutional home within an existing facility, such as the Debt Reduction Facility of the World Bank . This strengthened facility would: i. Coordinate liquidity support from multilateral and bilateral creditors. ii. Offer a range of financial and legal tools to facilitate or incentivize liability management and reduce the cost of capital. iii. Support scaling up debt swaps and related instruments, as appropriate, and maximizing their impact, including by simplifying their design, and reducing transaction costs. iv. Coordinate the development of term sheets for appropriate instruments, including net present value-neutral rescheduling.	b) We decide to establish an intergovernmental group under the auspices of the United Nations to agree a legally binding framework on debt that includes establishing a global debt authority ~~encourage official creditors~~ to provide coordinated and enhanced concessional liquidity and liability management support to developing countries committed to their ambitious development objectives and appreciate ongoing efforts in this area, ~~including the three-pillar approach proposed by the IMF and the World Bank to help address liquidity challenges~~. We call for further strengthening and systematizing this liquidity and liability management support, by finding an institutional home within an independent body that is not involved in loan transactions. ~~b an existing facility, such as the Debt Reduction Facility of the World Bank.~~ i. Coordinate liquidity support from multilateral and bilateral creditors. Global north countries, multilateral development banks and the IFIs should support countries by providing sufficient grant-based development and climate finance that does not worsen debt vulnerabilities. ii. Offer a range of financial and legal tools to facilitate or incentivize liability management and reduce the cost of capital. ~~iii. Support scaling up debt swaps and related instruments, as appropriate, and maximizing their impact, including by simplifying their design, and reducing transaction costs.~~ iv. Coordinate the development of term sheets for appropriate instruments, including net present value-neutral rescheduling. ~~v. Provide countries with technical assistance, capacity support and legal advice, including~~	result in violations of human rights and human dignity and does not prevent the attainment of international development goals" (A/HRC/40/57 and A/HRC/20/23). b) The three pillar approach by the WB and IMF will only increase debt in global south countries will promoting harmful reforms to facilitate market based solutions that won't solve the structural problems at the heart of the debt crisis. Hosting a new financing / liquidity support facility within the World Bank will only increase the impact of harmful conditionalities being pushed by IMF and World Bank in particular, including austerity measures, privatisation and PPPs, false market solutions and green conditionalities. The World Bank, as creditor institution, is an interested party and is thus unable to give independent and objective advice on matters related to liquidity and liability management, i. Liquidity challenges must be addressed by fulfilling the existing commitments on official development finance, paying up the aid debt and climate debt owed to the global south, and by enhancing commitments on climate finance, by providing non-debt creating public finance. iii. Debt swaps have been proved inadequate to address debt vulnerabilities and to provide sufficient resources to tackle liquidity constraints. Before continuing pushing for debt swaps, FfD4 should open a critical analysis of the real impacts and results of existing initiatives, reforming first the current mechanisms to tackle the gaps and risks for public sector and communities or beneficiary population.

v. Provide countries with technical assistance, capacity support and legal advice, including costbenefit analysis and the effective use of financial instruments such as debt swaps and dealing with sophisticated creditors.	~~costbenefit analysis and the effective use of financial instruments such as debt swaps and dealing with sophisticated creditors.~~	
43.To restore countries to a path of debt sustainability and ensure efficient, fair, predictable, coordinated, timely and orderly restructurings: a) We encourage the G20, building on ongoing efforts, including in the Global Sovereign Debt Roundtable, to further strengthen the Common Framework for Debt Treatments beyond the Debt Service Suspension Initiative by expanding coordinated debt treatments to highly indebted developing countries which are currently ineligible, especially middle-income countries; standardizing debt service suspension during negotiations; developing a user manual for debtors with clear timelines; and developing an accessible guideline for assessing comparability of treatment and refining tools for enforcing comparability of treatment. We call for priority rules that favor lenders who provide financing during the crisis and for those that have provided concessional finance. We encourage debtor countries that need debt relief to actively seek debt treatments and pre-emptive debt restructuring. b) We invite the United Nations Secretary-General to create a working group, in consultation with Member States, to develop a model law on debt restructuring	43. To restore countries to a path of debt sustainability aligned with sustainable development and human rights and ensure efficient, fair, predictable, coordinated, timely and orderly ~~restructurings~~ debt treatments, including debt cancellation: a) ~~We encourage the G20, building on ongoing efforts, including in the Global Sovereign Debt Roundtable, to further strengthen the Common Framework for Debt Treatments beyond the Debt Service Suspension Initiative by expanding coordinated debt treatments to highly indebted developing countries which are currently ineligible, especially middle-income countries;~~ Building on lessons learned from debt reliefs and debt resolution processes we decide to establish a UN Framework Convention on Sovereign Debt that addresses the establishment of a fair and transparent multilateral sovereign debt resolution mechanism in order to deliver on sufficient debt restructuring and cancellation from all creditors to all countries that need it to be able to fulfil its international human rights obligations, achieve the SDGs, ensure gender equality, and implement the necessary climate actions; as well as agree on the principles and parameters that should guide a fair debt restructuring, including	

to guide Member States that are considering adopting domestic legislation, commencing in the 81st session of the General Assembly. The working group will include relevant stakeholders and work in consultation with Member States. We encourage major jurisdictions for sovereign bond issuances to pass domestic legislation to limit holdout creditors and facilitate effective debt restructuring. c) We encourage the continued adoption of collective action clauses in bonds and majority voting provisions in loan agreements. We call for assessing and refining contractual tools and instruments used in debt restructuring to facilitate participation of creditors, including most favoured creditor clauses, claw back clauses, loss reinstatement features, and value recovery instruments. d) We support initiatives and entities such as the African Legal Support Facility, which provide legal and financial advice to developing countries during negotiations and structuring of complex debt transactions and workouts with creditors; and/or will utilize the above facility for this purpose. e) Building on existing work, the review of the sovereign debt architecture envisioned in the Pact for the Future and the update by the United Nations Secretary-General on progress and proposals, we will initiate an intergovernmental process at the United Nations, with a view to closing gaps in the debt architecture and exploring options to address debt sustainability, including but	standardizing debt service suspension during negotiations; developing a user manual for debtors with clear timelines; and developing an accessible guideline for assessing comparability of treatment and refining tools for enforcing comparability of treatment. ~~We call for priority rules that favor lenders who provide financing during the crisis and for those that have provided concessional finance.~~ We encourage debtor countries that need debt relief to actively seek debt treatments and pre-emptive debt restructuring. b) ~~We invite the United Nations Secretary-General to create a working group, in consultation with Member States, to develop a model law on debt restructuring to guide Member States that are considering adopting domestic legislation, commencing in the 81st session of the General Assembly. The working group will include relevant stakeholders, and work in consultation with Member States.~~ We encourage major jurisdictions for sovereign bond issuances to pass domestic legislation to limit holdout creditors and facilitate effective debt restructuring. c) RETAIN d) RETAIN e) Building on existing work, the review of the sovereign debt architecture envisioned in the Pact for the Future and the update by the United Nations Secretary-General on progress and proposals, we will initiate an intergovernmental process at the United Nations towards agreeing a legally binding framework on debt, with a view to ~~closing~~	a) Strengthening the G20 Common Framework is at odds with the inadequate and insufficient debt restructurings that have happened under this non-inclusive framework. The Common Framework is leaving countries still at significant risk of repeated debt crises. In Ethiopia, Ghana and Zambia, even when they have completed the Common Framework, they will still be on the threshold between ‘moderate’ and ‘high’ risk of external debt distress under the IMF LIC-DSF. This means any shock will push them back to high risk, and risk the need for repeated restructurings. FfD4 should be expressing deep concern at the failed ad-hoc G20 debt initiatives and reclaim decision-making at the UN on debt. Not further mandate undemocratic bodies such as G20 or other creditor dominated clubs. Sovereign debt restructurings must be rules based and rules need to be agreed by all Member States. Thus, we need to strengthen the proposal for a legal framework, under UN auspices, that define the rules and mechanism to ensure fair, transparent and comprehensive debt restructuring. When they occur, debt restructurings must be more transparent and inclusive to build public trust and ensure the best outcomes for affected communities. Governments should openly share information and key documents related to debt restructuring, including trade-offs and difficult decisions. Transparency in these processes can help secure public buy-in and mitigate resistance to negotiated terms. Additionally, debt restructurings must account for the voices of those who rely heavily on social programs, as these expenditures are often

not limited to a multilateral sovereign debt mechanism.	~~gaps in the~~ comprehensively reform the debt architecture and exploring options to address debt sustainability, including but not limited to a multilateral sovereign debt mechanism, binding principles on responsible borrowing on lending, agree extensive debt cancellation, establish debt data registry and other issues related to debt prevention and resolution.	the first to be cut. Ensuring that debt relief strategies prioritize essential services and support for vulnerable populations will help optimize the use of available resources and safeguard critical social spending. The reference of priority rule is a blank cheque for irresponsible lending from MDBs and, depending on the design of the priority rules, could exempt them categorically from debt restructurings. b) The text on domestic legislation is very welcome and we strongly urge it to be kept in the final draft. e) We commend the proposal for an intergovernmental group to work on debt architecture reform. We welcome the inclusion of a multilateral sovereign debt resolution mechanism, as envisioned in the Monterrey consensus. We understand that the outcome of the FfD4 conference cannot be yet another 'follow up' and 'explore' the need, but an agreement for setting up such a mechanism. The UNGA in 2015 already adopted 'Basic Principles on Sovereign Debt Restructuring Processes'. The gap to be filled is the need for a legally binding framework that can ensure effective and comprehensive solutions to debt prevention and resolution.
44.To ensure that debt sustainability and credit assessments are more accurate, objective and longterm oriented:		

a) We commit to promote transparent, accurate, objective and long-term model-based credit assessments. Building on the ongoing Debt Sustainability Framework for Low-Income Countries review, we urge the IMF and the World Bank to continue to refine debt sustainability assessments to better account for SDG spending needs; better capture climate and nature risks; account for investments (for example, in resilience, nature protection and productive capacity) and their impact on long-term growth and sustainable development, including by better reflecting the asset perspective, which requires a longer-term outlook; and more accurately distinguish between solvency and liquidity. We call on the IMF and the World Bank to implement revisions in an open and consultative manner. We invite these institutions and other relevant stakeholders to strengthen countries' capacities to carry out their own debt sustainability assessments. b) We call on CRAs to similarly refine their methodologies to account for investments, lengthen time horizons for credit analysis, and publish long-term ratings based on scenario analysis; positively reflect the long-term debt sustainability benefits of voluntary debt restructurings, rather than penalizing countries that engage in such transactions and official sector debt programs; address concerns over adverse rating impacts of official debt programmes; and reform the sovereign ceiling, which limits a company's credit	a. We commit to promote transparent, accurate, objective and long-term model-based credit assessments. Building on the ongoing ~~Debt Sustainability Framework for Low-Income Countries review, we urge the IMF and the World Bank to continue to refine~~ work, we will promote the development of new approaches of debt sustainability assessments to better account for ~~SDG~~ sustainable development and human rights spending needs; better capture climate and nature risks; account for investments (for example, in resilience, nature protection and productive capacity) and their impact on long-term growth and sustainable development, including by better reflecting the asset perspective, which requires a longer-term outlook; and more accurately distinguish between solvency and liquidity, and include ex-post and ex-ante gender, human rights, environmental impacts and corruption assessments. We call on the IMF and the World Bank to implement revisions in an open and consultative manner, ensuring the meaningful participation of civil society in debt sustainability assessments, governance diagnostics and surveillance. We invite these institutions and other relevant stakeholders to strengthen countries' capacities to carry out their own debt sustainability assessments.	a.Debt sustainability assessments (DSAs) are often designed primarily to meet the information needs of creditors, rather than those of domestic oversight institutions. Debt management offices (DMOs) tend to focus their reporting on potential investors, reflecting their role in securing financing, while IMF and World Bank training programs emphasize debt reporting that enhances investor confidence. This creditor-centric approach limits the ability of national policymakers, parliaments, and civil society to effectively oversee debt strategies, assess long-term fiscal risks, and ensure alignment with development priorities. Strengthening DSAs to serve both investor and domestic accountability needs—by improving accessibility, transparency, and alignment with national budgeting processes—would enhance fiscal governance and the effectiveness of debt management. There is a need for a full new approach to not just the DSA methodology but the concept of debt sustainability, to put in the center development and human rights needs, including gender and climate justice.

<table>
<tr><td>rating to be the same or lower than its country's sovereign rating.
c) We call upon public entities conducting economic surveillance to publish such assessments in ways that can be compared to private credit ratings in essence serving the role of a public CRA.</td><td></td><td></td></tr>
<tr><td>II. F. International financial architecture and systemic issues</td><td></td><td></td></tr>
<tr><td colspan="3">Summary and key takeaways:
<u>Reaffirming the role of the United Nations in Global Economic Governance</u>: It is distressing that the section on systemic issues – one of the critical dimensions of the Monterrey Consensus – reduces global economic governance to the IMF and World Bank. By agreeing to work through the governance structures of IFIs, developing countries will continue to lose out in global economic decision-making because they remain structurally excluded or marginalised in such a governance system. FfD4 offers an opportunity to consider reforms to the international financial architecture in its entirety coherently and democratically, with universal and inclusive participation. while ensuring human rights, gender equality and ecological integrity. It is high time to bring the IFIs (BWI and other IFI/MDBs) under proper intergovernmental democratic governance and restore their foundational establishment as <u>an integral part of the UN system</u> with full accountability to the UNGA. FfD4 should therefore initiate a profound review of the IFI/MDB ecosystem, hence reaffirming the role of the United Nations in global economic governance.
<u>Actionable mandates to reform and regulate monetary and financial systems</u>: The Monterrey Consensus aimed to provide a response to the global South's lack of control over their national currencies, and thus economic stability/security, for the confluence of deregulated cross-border capital flows, international currency hierarchy and unregulated transnational financial actors, and higher borrowing costs under the continued influence of biased and adverse sovereign ratings. FfD4 should undertake decisive actions by mandating intergovernmental processes to regulate all key dimensions of monetary and financial regulation and, more particularly, (1) a comprehensive review of the mandates and governance structures of IFIs/MDBs, (2) a comprehensive review and reform of the global reserve system, with special attention to the role and issuing modalities of SDRs; (3) an Intergovernmental Commission under ECOSOC to regulate, monitor and hold accountable Credit Rating Agencies (CRAs) and explore the establishment of an international public credit agency at the UN, among other reforms.
<u>Rejection of mandates to non-inclusive bodies such FSB and BIS</u>: We reject mandates to the Financial Stability Board, given its exclusive representation (very few jurisdictions) and extensive conflicts of interest. We further demand a reform of the BIS to ensure adequate representation of developing countries (currently 63 central banks). The premise to mandate regulatory financial functions, and the concomitant assignment of jurisdictional powers, need to be the establishment of democratic, representative and legitimate institutions with clear and transparent accountability mechanisms.</td></tr>
<tr><td>45.The international financial architecture – the existing set of international financial frameworks, rules, institutions and markets that safeguard the</td><td>45. The international financial architecture – the existing set of international financial frameworks, rules, institutions and markets that safeguard the</td><td>The opening para of this section, particularly given its renaming to International Financial Architecture, needs to unambiguously affirm</td></tr>
</table>

stability and function of the global monetary and financial systems – fundamentally shapes sustainable development outcomes. International economic and financial institutions have made significant efforts towards institutional reform, including to preserve macroeconomic stability amidst major shocks, address growing financing challenges faced by developing countries and to bring the architecture into greater alignment with sustainable development, complementing the leadership role of the United Nations in promoting development. But major systemic challenges persist: governance arrangements do not accurately reflect the diversity and complexity of the world; the global financial safety net has both gaps and uneven coverage; financial regulatory frameworks have yet to effectively address new risks and financial innovations; and private credit ratings, which perform an important function in providing information to financial markets, often over-emphasize short-term concerns. With full respect for the independent mandates and governance bodies of different international institutions, the international community must work together to enhance voice and representation of developing countries and ensure that the international financial architecture becomes fit for the world of today and responsive to challenges and vulnerabilities facing all countries, especially those most in need.	stability and function of the global monetary and financial systems – fundamentally shapes sustainable development outcomes. ~~International economic and financial institutions have made significant efforts towards institutional reform, including to preserve macroeconomic stability amidst major shocks, address growing financing challenges faced by developing countries and to bring the architecture into greater alignment with sustainable development, complementing the leadership role of the United Nations in promoting development. But major systemic challenges persist:~~ However, governance arrangements do not accurately reflect the diversity and complexity of the world; the global financial safety net has both gaps and uneven coverage; financial regulatory frameworks have yet to effectively address new risks and financial innovations; and private credit ratings, which perform an important function in providing information to financial markets, often over-emphasize short-term concerns. ~~With full respect for the independent mandates and governance bodies of different international institutions, the international community must work together to enhance voice and representation of developing countries and ensure that the international financial architecture becomes fit for the world of today and responsive to challenges and vulnerabilities facing all countries, especially those most in need.~~	the central role of the United Nations in global economic governance, in full consistency with the spirit of Monterrey. The fundamental challenge of FfD4 is to ensure that the reform of the international financial architectures is based on the foundational aspiration of democratizing global economic governance and fully realizing the Right to Development for all countries. This can only happen under the aegis of the UN. The sentence on past reform efforts should be deleted as it is fundamentally flawed. Firstly, no significant institutional reforms have taken place within international financial institutions. Secondly, these institutions have not only failed to prevent macroeconomic crises, but their responses have exacerbated inequalities and structural dependencies. Para 52 of the Monterrey Consensus is critical to note in this regards: "We recognize the urgent need to enhance coherence, governance, and consistency of the international monetary, financial and trading systems. To contribute to

	<u>The Monterrey Consensus emphasized the importance of continuing to improve global economic governance and strengthening the leadership role of the United Nations. It also emphasized the critical importance of coherence and consistency of the international financial and monetary and trading systems in support of development. Reaffirming and recommitting to the spirit of Monterrey, we will take decisive measures to establish a more coherent, inclusive and democratic International Financial Architecture that can support the realization of the Right to Development.</u>	that end, we underline the importance of continuing to improve global economic governance and to strengthen the United Nations leadership role in promoting development. With the same purpose, efforts should be strengthened at the national level to enhance coordination among all relevant ministries and institutions. Similarly, we should encourage policy and programme coordination of international institutions and coherence at the operational and international levels to meet … the goals of sustained economic growth, poverty eradication and sustainable development."
46.To further strengthen global economic governance: a Recognizing and building on recent efforts, we commit to enhance the voice and representation of developing countries in norm-setting, global economic governance, and decision-making in international economic and financial institutions to deliver more effective, credible, accountable, and legitimate institutions. b We recommit to further IMF quota realignment to enhance developing country voice and better reflect members' relative positions in the world economy, while protecting the shares of the poorest members. As IMF members, we will work through the Governors of the IMF to consider restoring basic votes back to 1/9 the total voting rights in the IMF, among other measures.	46. To ~~further strengthen~~ <u>democratize</u> global economic governance: a) ~~Recognizing and building on recent efforts,~~ we commit to enhance the voice and representation of developing countries in norm-setting, global economic governance, and decision-making in international economic and financial institutions to deliver more effective, credible, accountable, and legitimate institutions. *We request deletion of all subsequent sub-paras of Art 46 (from b to h) and propose their replacements with the following text (as also featured in the MDB-reform section of the IDC pillar of the First Draft):* b) <u>We agree to initiate an intergovernmental review under the aegis of the UN of the mandates and governance structures of the</u>	Past efforts of the BWI to reform their own governance have been deeply inadequate and IMF governance reforms have now ground to a complete halt. Even the most significant governance reforms at these institutions since Monterrey have resulted in only marginal vote increases to developing countries, while the 15th and 16th IMF quota reviews failed to realign any vote shares whatsoever. The governance failure risks further misaligning IFIs from today's geopolitical realities and deepening their historical inequities. FfD4 should break the cycle of past promises, failed attempts and proposals for what ultimately may prove to be only minor adjustments. It is high time to bring the IFIs and MDBs under proper intergovernmental democratic governance and restore their foundational establishment as an integral part of the UN system with full accountability to the

c We, as shareholders, will work through the World Bank Board of Governors to conduct a comprehensive and successful World Bank shareholding review in 2025, in line with the Lima shareholding principles, that delivers a more equitable balance of voting power at the institution, to speedily implement the review outcomes, and to achieve a balance of voting power between country groups in future reviews. d We, as members and shareholders, will work through the executive boards of the IFIs to consider options to increase the voice and representation of developing countries, including further increasing the size of the executive boards to create balanced geographic representation of the members, building on the additional chair at the IMF. We also commit to achieve gender balance in the executive boards of all international organizations through more balanced nominations to the boards. e We, as members of international economic and financial institutions, recommit to open and transparent, gender balanced and merit-based selection of their heads. f We will work through the boards of all international economic and financial institutions to conduct regular reviews on diversity in the board and the executive and senior leadership to address geographic underrepresentation and gender imbalance, and to publish regular public reports on diversity and our reviews. g We, as members of the IMF, will work through the IMF Executive Board to enhance geographical representation in IMF senior management positions, particularly for	International Financial Institutions, including the World Bank, the IMF and MDBs, aimed at: • Democratizing the governance of IFIs, including by adjusting the size of their boards, adequately redistributing voting rights, avoid *de facto* veto powers, strengthen basic votes premised on the principle of equality of member states, among others • Re-purposing IFIs to support sustainable development progress, ensure ecological integrity, promote the realization of the Right to Development and operate in full respect with human rights standards and obligations. • Enhancing transparency and ensure adequate public scrutiny of the decisions, policies and programmes of IFIs. • Strengthening existing or establish independent accountability mechanisms of IFIs that can address and redress complaints by communities and social groups affected by IFI programmes and decision-making.	UNGA. We therefore call on UN Member States to reaffirm the role of the UN as a norm-setter in global economic governance. FfD4 is a key platform to reach a political agreement to establish UN intergovernmental process to review IFIs' and MDBs' governance, role and mandate, with an ecosystem approach, including how they interact with regional and national development banks. The objective is to build institutions that are democratic, inclusive, transparent, accountable and oriented to deliver sustainable development outcomes. We reaffirm the important role that IFIs and MDBs can play in financing sustainable development, as long as key conditions are met. In particular, ensuring they work in full alignment with national development priorities, human rights, and in a transparent and accountable way. Without a change in the development paradigm, the ways of working of IFIs and MDBs, including their internal incentives which are very much geared towards quantity and not quality, and more importantly the Global-North-dominated governance structure of major development banks, more money for these institutions will not be the solution to the current challenges.

Africa, including the creation of an additional IMF Deputy Managing Director. h We commit to further enhance the transparency and accountability of decision making at international economic and financial institutions.		
47.To further strengthen the global financial safety net with the IMF at its center, amidst increasing systemic risks and growing frequency and intensity of crises, including those related to climate change: a) We will continue to strengthen global macroeconomic coordination and policy coherence to enhance global financial and macroeconomic stability and reduce negative spillover effects. b) We welcome the conclusion of the IMF facilities reviews in 2023 and 2024 and the conclusion of the 16th General Review of Quotas. We commit to secure domestic approvals for the implementation of the quota increase under the 16th General Review of Quotas. As IMF members, we will work through the IMF Executive Board to continue to regularly review its toolkit and the adequacy of its pool of resources to ensure that sufficient resources are accessible to all countries for fast disbursement in response to shocks and crises. In this regard, we call for further review of IMF precautionary facilities, drawing on the successes of bilateral swap lines during recent crises, for example through designing an IMF multilateral swap line. c) We welcome recent reductions of the IMF cost of borrowing, and, as IMF members, will work through the IMF Executive Board to consider further reducing charges, and also consider in	47. To ~~further~~ strengthen the global financial safety net ~~with the IMF at its center~~, amidst increasing systemic risks, exogenous shocks and growing frequency and intensity of crises, including those related to climate change: a) We will continue to strengthen global macroeconomic coordination and policy coherence to enhance global financial and macroeconomic stability and reduce negative spillover effects that macroeconomic policies in major economies have on developing countries. We will dedicate a segment of the annual FfD Follow-up Forum to expose such spillover effects and provide guidance for macroeconomic policy coordination, including by undertaking necessary resolutions in the intergovernmentally agreed outcome document b) c) We welcome recent reductions of the IMF cost of borrowing, and, as IMF members, will work through the IMF Executive Board to ~~consider~~ further ~~reducing~~ reduce charges, ~~and also consider in the next review adopting a policy for suspending surcharges during disasters and exogenous shocks, while preserving the revolving nature of IMF resources~~. We agree to undertake definitive action to eliminate IMF surcharges d) e)	On para (a) the commitment needs to be reflected on annual assessment at the FfD Follow-up Forum that can result in corrective measures undertaken through the intergovernmentally agreed outcome document. We have not proposed further comment on the IMF facilities as these are all secondary to the main proposal advanced in para 46 for a comprehensive review of the mandates and governance structure of the International Financial Institutions, including the IMF. The only exception for short-term action is related to the need to agree to definitively eliminate IMF surcharges (para c). On paras (g-j), contrary to the prognostications that the need for international reserves should decrease as developing countries gain access to international financial markets and respond to balance-of-payments shocks through exchange rate adjustments, there has instead been a rapid accumulation of international reserves in the last several decades to provide self-insurance against sudden and volatile capital outflows and interruptions to access to international capital markets, often triggered by monetary policy shifts in developed country policies. However, foreign exchange reserves in developing

the next review adopting a policy for suspending surcharges during disasters and exogenous shocks, while preserving the revolving nature of IMF resources. d) We look forward to the upcoming comprehensive review of the Resilience and Sustainability Trust and, as IMF members, will work through the IMF Executive Board to consider ways to further enhance effectiveness of and ease access to the Resilience and Sustainability Trust in that review, including by reconsidering the requirement of an upper credit tranche programme. e) We welcome the recent Poverty Reduction and Growth Trust review and call for its quick implementation. We will work through the IMF Executive Board to further increase the IMF's selfsustaining capacity to lend concessional resources without worsening borrowers' terms of financing. f) We call upon the international community to support countries in ensuring adequate and uninterrupted funding on appropriate terms of social protection and other essential social spending during shocks and crises. We welcome and encourage further efforts to strengthen the consideration of social protection and social spending in IMF-supported macroeconomic adjustment programmes. g) We welcome the IMF's issuance of SDRs in 2021 and the rechanneling for countries in need by both developed and developing countries in a position to do so. We encourage countries with strong external positions and in a position to do so to expeditiously rechannel 50 per cent of SDRs from the 2021 allocation, including	f) We ~~call upon the international community to support countries in ensuring~~ commit to ensure adequate and uninterrupted funding ~~on appropriate terms~~ of public services, social protection and other ~~essential~~ social spending in accordance with human rights law, including international labor standards, during shocks and crises. ~~We welcome and encourage further efforts to strengthen the consideration of social protection and social spending in IMF-supported macroeconomic adjustment programmes~~ *We propose deletion of paras g to j and their replacement with the following:* g) We recognize the need to reassess the role of SDRs as a reserve asset in the context of a wider review of the entire reserve system. We agree to establish an intergovernmental working group under the ECOSOC to identify a set of reforms that can facilitate a more efficient reserve system, including the function of Special Drawing Rights and the complementary roles that can be exercised by various regional arrangements. The working group will also create a new playbook for SDRs that will establish new rules that facilitate their regular as well as countercyclical issuance, their widespread use and their channeling to the countries that need them most, including through changes that facilitate SDR transfers to multilateral development banks. The playbook will also determine changes in the accountancy registry of SDRs in central banks as both an 'asset' and a 'liability', through a shift in the IMF's Balance of Payments Manual (BoP) rules.	countries are invested primarily in low-yielding bond and reserve assets issued by major developed countries. Given higher interest rates paid on external debt, such assets entail a significant 'net carry cost' for most developing countries. This cost constitutes a drain on national resources of developing countries and a net transfer to reserve-issuing developed countries. include borrowed liabilities in various forms such as equity investment as well as debt, which all generate outward income transfers. This drain of financial resources from developing to developed countries not only constrains policy space for development and SDG financing, but it is also inherently unequal and unstable. A comprehensive review of the reserve system is thus required, including on the role and issuing modalities of SDRs. It is not acceptable that the global reserve system is subjected to the veto power of a single country within the current IMF governance system.

through MDBs, while retaining SDRs' liquidity and reserve asset character. h) We, as IMF members, will work through the IMF Executive Board to consider the long-term global need to supplement existing reserve assets through the issuance of new SDRs, to help address developing countries' liquidity and debt crises. i) We, as IMF members, will work through the IMF Executive Board to review SDRs to design a playbook that provides operational guidance and strengthens their role during future crises and shocks, including: a rules-based approach to recommendations for SDR issuance to speed up approval by the IMF Executive Board of new issuances; and international commitments based on voluntary ex ante agreements to facilitate expeditious rechannelling of SDRs to countries in need. j) We, as IMF members, commit to work through the IMF Executive Board and Board of Governors to review the role of SDRs and their place in the international monetary system, including considering approaches that allow SDR allocations that better respond to the needs of all countries. k) We commit to strengthen existing regional financial arrangements and close gaps in coverage by supporting the creation of robust new regional financial arrangements, especially in Africa, to enhance the complementarity of the layers of the global financial safety net. l) We commit to support the operationalization of the African Union's African Financial Stability Mechanism, aimed at promoting financial stability and preventing debt crises in Africa by	h) *We propose deletion of para h as the matter is addressed in the new para g above.* i) *We propose deletion of para i as the matter is addressed in the new para g above.* j) *We propose deletion of para j as the matter is addressed in the new para g above.* k) We commit to strengthen existing regional financial arrangements and close gaps in coverage by supporting the creation of robust new regional financial arrangements, including regional lenders and regional reserve pooling arrangements, especially in Africa, to enhance the complementarity of the layers of the global financial safety net. l) We commit to support the operationalization of the African Union's African Financial Stability Mechanism, aimed at promoting financial stability and preventing debt crises in Africa by providing concessional lending and liquidity support, and invite DFIs and IFIs to also support this initiative. m) We will consider adjusting borrowing limits in all layers of the safety net to ensure that emergency and stand-by resources can meet needs, while taking into account institutions' financial sustainability.	

providing concessional lending and liquidity support, and invite DFIs and IFIs to also support this initiative. m) We will consider adjusting borrowing limits in all layers of the safety net to ensure that emergency and stand-by resources can meet needs, while taking into account institutions' financial sustainability		
48.To encourage credit ratings to be more transparent, accurate, objective, and oriented towards the long term: a) We decide to establish an annual special high-level meeting under the auspices of ECOSOC for dialogue among Member States, CRAs, regulators, standard setters, and long-term investors, along with public institutions that publish independent debt sustainability analysis, building on experiences of national and regional dialogue with CRAs to promote appropriate regulation of CRAs and use of their assessment. We request ECOSOC to determine the modalities to ensure that it builds on existing ECOSOC processes. b) We call for reduced mechanistic reliance on credit-rating agency assessments in regulatory frameworks and by financial market actors, including by ensuring that more and better economic, financial, risk, and resilience data is available. c) We will consider national regulatory frameworks for CRAs to reduce over-reliance on credit ratings, increase transparency regarding the issuing of sovereign debt ratings, improve the quality of the rating process and make CRAs more accountable for their actions, and reduce conflicts of interest and encourage	48. To ~~encourage~~ ensure that credit ratings ~~to be more~~ can be transparent, accurate, objective, and oriented towards the long term: *We request deletion of sub-paras a) and b) and their replacements with the following text*: a) We resolve to establish an Intergovernmental Commission under ECOSOC to regulate Credit Rating Agencies (CRAs) including ESG rating bureaus. The Commission will aim to: • Establish a regulatory framework that can address current dysfunctionalities, from a developing country perspective, in terms of bias, methodological inaccuracy and pro-cyclicality in ratings, as well as tackle market concentration and dominant position, and conflicts of interest. • Examine needed international institutional innovations required to correct and avert the adverse impacts of CRAs. • Explore proposals such as the establishment of an international public credit rating agency at the UN to provide more transparent and equitable assessments of creditworthiness.	There is widespread agreement across both international institutions as well as Member States on the need to regulate CRAs. While this is a long-lasting issue, recent pandemic and debt crises have exposed the current dysfunctionalities as well as penalizing costs of borrowing when market access needs are most acute. From a developing country perspective, the dysfunctions include bias and pro-cyclicality in ratings, market concentration and dominant position, and conflicts of interest. Current debates are largely focused on soft interventions and voluntary measures on, often with the direct participation of those same market actors that need to be regulated. The UN should lead in the formulation and implementation of CRA supervision and regulation, including ESG rating bureaus, by convening a universal, intergovernmental commission under ECOSOC to examine urgently needed international institutional innovations required to correct and avert the adverse impacts of CRAs. The Commission should also further study proposals such as establishing an international public credit rating agency at the UN to provide more transparent and equitable assessments of creditworthiness.

a greater number of actors to operate in the credit rating market.		
49.To continue to improve financial regulation to promote the stability and sustainability of the financial system: a) We invite the Financial Stability Board (FSB) to launch a review, building on previous efforts and in coordination with relevant standard-setters, of potential miscalibration of risk-weightings in financial regulation, such as Basel III, considering different country contexts, including for guarantees and blended finance, SMEs, infrastructure, and trade finance. We invite the FSB to present findings at the ECOSOC FFD Forum, including, if appropriate, recommendations for targeted changes to standards, to be considered by relevant standard-setting bodies. b) We also invite the FSB to review financial stability risks posed by the asset management industry. c) We invite the Basel Committee on Banking Supervision (BCBS) and the IMF to work together with developing countries to develop standards for prudential banking regulation that address differences in risk profiles, especially in the LDCs. d) With a focus on financial stability, we will consider expanding financial regulation and supervision to incorporate climate transition plans and climate stress testing.	49. To ~~continue to~~ improve financial regulation to promote the stability, accountability and sustainability of the financial system: *We then request deletion of sub-paras a) b) and c) and their replacements with the following new sub-paras:* a) We undertake to define a global agreement under the aegis of the UN on the importance of capital account management *(This builds on the precedent set in the Addis Ababa Action Agenda, Para 105: "When dealing with risks from large and volatile capital flows, necessary macroeconomic policy adjustment could be supported by macroprudential and, as appropriate, capital flow management measures.").*	Mandates to FSB are profoundly problematic and should be rejected. It is essential for all UN Member States to assess the current system from both developmental and global financial stability perspectives and undertake decisive steps towards financial regulation, recognizing the limitations of voluntary non-binding measures, starting with capital account management and the regulation of the asset management industry. **This cannot be demanded to bodies such as the Financial Stability Board and the Bank of International Settlement, given their exclusive representation and, in the case of FSB, extensive conflicts of interest.** The FSB has been created by the G20 and reports back to the G20 finance ministers. It therefore strengthens the G20 decision-making power. The FSB has a selective membership, mostly finance ministries and central banks of the G20 member countries and a few other countries with large private financial sectors (e.g. Netherlands). **Here the composition of the FSB:** https://www.fsb.org/about/organisation-and-governance/ **Here the composition of the BIS board:** https://www.bis.org/about/board.htm?m=4 **Here the composition of the Basel Committee on Banking supervision:** https://www.bis.org/bcbs/membership.htm **Here the composition of the Committee on Global Financial System:** https://www.bis.org/cgfs/membership.htm

	b) We agree to initiate an intergovernmental process towards a UN global framework to adequately regulate and supervise for the asset management industry. The process will include a review of existing regulatory bodies for banking and non-baking intermediaries and ensure their governance is reformed to ensure adequate representation of developing countries. c) We commit to dedicate a special session of the ECOSOC to discuss the reform of the Bank of International Settlement and ensure its governance can be expanded to adequate represent developing countries, including countries in special situation. d) With a focus on financial stability, we will consider expanding financial regulation and supervision to ensure ecological integrity, incorporate climate transition plans and climate stress testing.	The current monetary and financial frameworks undermine the economic, monetary and financial sovereignty of developing countries, trapping them into currency hierarchies, liquidity challenges and regressive monetary policies that restrict policy and fiscal space for macroeconomic stability, structural transformation and economic diversification, with real-economy effects on the cost of living, employment opportunities and social expenditures, including for gender equality and climate adaptation. Capital account liberalization, underpinned by market-based exchange rates and the international currency hierarchy, generates procyclical capital flows. Capital account regulation and management must be recognized as a first best measure to safeguard national economic security and stability, and indeed, as a crisis-prevention measure, when faced with an externally generated and unsustainable surge in capital inflows or outflows. However, many countries face legal restrictions on their ability to employ capital account regulations due to stipulations in Bilateral Investment Treaties (BITs). The absence of statutory protection against litigation, asset grabbing, and restrictions resulting from BITs remains central to recourse to capital account management and regulation. Hence the need for a new global consensus.
50.To reap potential benefits and appropriately consider macroeconomic risks as central banks	50. To reap potential benefits and appropriately consider macroeconomic risks as central banks	**Here the composition of the Committee on Payment Systems and Market Infrastructure:** https://www.bis.org/cpmi/membership.htm

explore digital currencies and inter-operable settlement systems: a) We invite the Bank for International Settlements (BIS) to build on the G20 Roadmap for Enhancing Cross-border Payments and include more developing countries in discussions on how to create central bank digital currencies (CBDC) and fast payment systems (FPS) that harness the benefits of digital technologies, increase efficiency of cross-border payments, and address potential macroeconomic risks. b) We encourage the BIS, IMF, and other relevant institutions to provide capacity building to support developing countries to make robust design and implementation decisions about CBDC and other platforms or technologies for inter-operable settlement systems, while managing potential risks from digital assets.	explore digital currencies and inter-operable settlement systems: a) We commit to dedicating special sessions of ECOSOC in collaboration with the Bank for International Settlements (BIS) ~~to build on the G20 Roadmap for Enhancing Cross-border Payments and include more developing countries in discussions on~~ to explore how to create central bank digital currencies (CBDC) and fast payment systems (FPS) that harness the benefits of digital technologies, increase efficiency of cross-border payments, and address potential macroeconomic risks. b) ~~We encourage the BIS, IMF, and other relevant institutions to provide capacity building to support developing countries to make robust design and implementation decisions about CBDC and other platforms or technologies for inter-operable settlement systems, while managing potential risks from digital assets.~~ c) We recognize that developing countries' capacity to harness digital technologies needs to be based on national public digital infrastructure to avoid excessive dependence on commercial services and infrastructure and curb the international concentration of such commercial services. d) We recognize the importance of developing bilateral and plurilateral payments initiatives for settling international economic obligations and managing foreign exchange transactions. We commit to explore options to increase the use of national currencies to settle such obligations, complemented by improvements in	

	cross-border payments, clearing, and settlement systems.	
II. G. Science, technology, innovation and capacity building		
Summary and key takeaways: • This section has no reference to the democratic deficit in the global governance of STI. It is largely reduced to the idea of riding on the wave of the data and AI revolution, a puzzling move in the current context that demands a holistic, coordinated response to the twin digital and climate transition. • Member states should therefore prioritise establishing an intergovernmental, inclusive, transparent and participatory global mechanism at the UN for the evaluation of new and emerging technologies, inter alia artificial intelligence, and their actual and potential impacts on society, economy, environment and the climate. • There are already several CSTD Resolutions on the need to establish a global mechanism on technology assessment and UNCTAD has completed a pilot project on technology assessment in Africa. The rapid advances in frontier technologies including artificial intelligence, there is urgency in creating a global mechanism on technology assessment under the UN.		
51. Science, technology and innovation (STI) are advancing at an unprecedented scale and pace. However, leveraging its full potential for advancing sustainable development is constrained by deepening technological gaps in innovation, technology production, and access; inadequate digital infrastructure and digital public goods; limited national capacity; and insufficient international support. Unregulated technological advances can also have unintended economic, environmental, and social consequences, and worsen gender inequality. Coordinated national and international efforts are needed to leverage technological advances for sustainable development, close digital divides, and realize the full potential of digital technology in achieving financial inclusion and financial health.	51.Science, technology and innovation (STI) are advancing at an unprecedented scale and pace. However, leveraging its full potential for advancing sustainable development is constrained by deepening technological gaps in innovation, technology production, and access; inadequate digital infrastructure and digital public goods; limited national capacity,~~; and~~ insufficient international support and inadequate global digital cooperation. Unregulated technological advances can also have unintended economic, environmental, and social consequences,~~ and~~ worsen gender and race inequality and hinder inclusivity for people with disabilities. Coordinated national and international efforts are needed to leverage technological advances for public trust, sustainable development, enable context-appropriate digital industrialization pathways, close digital divides for marginalized groups, particularly women, youth, persons with disabilities, and senior citizens, and realize the full	

	potential of digital technology in achieving financial inclusion and financial health.	
52. To realize the full potential of STI in supporting sustainable development and the full enjoyment of human rights: **National innovation systems, including STI4SDG roadmaps** a) We will support countries to develop and implement mission-oriented, multistakeholder national STI4SDG roadmaps that incentivize productivity, employment, and innovation aligned with national development goals. We will provide support and training on strategic STI governance, regulation, and institutions for STI policy in developing countries, especially countries in special situations. b) We call for development and strengthening of competition rules and regulations that are adapted to digital markets, to foster an open, non-discriminatory, fair and inclusive environment for innovation and technological development, and deepened international cooperation between national competition and other relevant authorities, given the global reach of major technology firms and the impact of regulatory spillover. **Technology transfer, knowledge sharing, capacity building, and financing for STI** c) We acknowledge the role of intellectual property regimes and the application of flexibilities in the Agreement on Trade-	c.We acknowledge the role of intellectual property regimes and the application of flexibilities in the Agreement on Trade-Related Aspects of	In the context of data and AI innovation, reforms to existing IP regimes may be critical for inclusive and equitable innovation, along

Related Aspects of Intellectual Property Rights (TRIPS) in contributing to innovation and sustainable development. We commit to promote and encourage further agreements on technology transfer, on mutually agreed terms. d) We will implement initiatives at all levels to promote access to relevant trainings and skills in science, technology, and innovation, engineering, the arts and mathematics, especially to promote the interest of children, youth, women, persons with disabilities and people in vulnerable situations and marginalized communities, particularly in LDCs, LLDCs and SIDS. We urge operationalizing the Online University for LDCs to promote science, technology, engineering, and mathematics (STEM) education. e) We will facilitate access to STI funds, through capacity building and knowledge sharing, including ensuring that resources are directed to countries and regions with high needs and impacts. We call for international organizations and development partners to enhance financing and capacity support to STI projects in developing countries, and invite PDBs to scale up support for investment in mission-oriented innovation through risk-sharing instruments, public venture capital funds, or similar instruments. f) We will promote equitable access to artificial intelligence and ensure adequate financing for capacity building for artificial intelligence adoption, for	Intellectual Property Rights (TRIPS) in contributing to innovation and sustainable development. We commit to promote and encourage further agreements on technology transfer, on mutually agreed terms <u>especially through the non-market route, for inclusive and equitable innovation and knowledge and benefit sharing to democratize the benefits of innovation</u>. e.We will facilitate access to STI funds, through capacity building and knowledge sharing, including ensuring that resources are directed to countries and regions with high needs and impacts. We call for international organizations and development partners to enhance financing and capacity support to STI projects in developing countries, and invite PDBs to scale up support for investment in mission-oriented, <u>rights-respecting</u> innovation through risk-sharing instruments, public venture capital funds, or similar instruments. f.We will promote equitable access to artificial intelligence <u>infrastructural capabilities</u> and ensure adequate financing for capacity building for artificial intelligence adoption, for development of	with technology transfer through non-market routes to build infrastructural capabilities in the global South. With AI innovation - data extractivism has led to a flight of resources from people in the South. We need benefit sharing as an explicit complement to tech transfer

development of a regulatory ecosystem that promotes safe, secure, inclusive, and trustworthy artificial intelligence systems, and for facilitating developing countries' participation in international artificial intelligence dialogues, while taking into consideration the previous internationally agreed outcomes, including the Global Digital Compact.	a regulatory ecosystem that promotes human rights-respecting, safe, secure, inclusive, accessible and trustworthy artificial intelligence systems, and for facilitating developing countries' participation in international artificial intelligence dialogues, while taking into consideration the previous internationally agreed outcomes, including the Global Digital Compact.	
International cooperation on STI g) We resolve to enhance national and international cooperation between actors in the STI ecosystems, including MDBs and DFIs, on open science, open data, digital public goods, affordable and open-source technology, education, and collaborative international research and development that ensures access to countries in need. h) We recognize the value of science-policy panels in addressing sustainable development challenges and reaffirm our support to the work of Intergovernmental Panel on Climate Change and Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services, and commit to support progress to establish the Science-Policy Panel on Chemicals, Waste and to Combat Pollution. i) We commit to strengthen the capacity of the United Nations Technology Facilitation Mechanism and the United Nations Technology Bank for LDCs with adequate resources so they can effectively fulfill their mandates.	g.We resolve to enhance national and international cooperation between actors in the STI ecosystems, including MDBs and DFIs, on open science, open data, digital public goods, digital public infrastructure, affordable, accessible and open-source technology, education, and collaborative international research and development that ensures access to countries in need with appropriate guardrails for eliminating harm and maximising benefit sharing.	A data commons approach rather than an open data approach will enable equitable distribution of the development dividends of digitalisation. As the UN acknowledges in the GDC, digital public goods and digital public infrastructure are equally essential

j) We support enhanced collaboration among the STI Forum, the Commission on Science and Technology for Development, and other international platforms. This includes promoting digital infrastructure-related knowledge sharing, particularly in identifying investment risks and opportunities, among DFIs and other partners. k) We request the Interagency Task Team on STI for the Sustainable Development Goals to undertake an assessment of the major obstacles that hamper international diffusion of technologies for the Goals, especially green technologies and to provide recommendations to overcome these obstacles.	k. ~~We request the Interagency Task Team on STI for the Sustainable Development Goals to undertake~~ We decide to establish an intergovernmental, inclusive, transparent and participatory global mechanism at the UN for the evaluation of new and emerging technologies, inter alia artificial intelligence, and their actual and potential impacts on society, economy, environment and the climate, an assessment of the major obstacles that hamper international diffusion of technologies for the Goals, especially green technologies and to provide recommendations to overcome these obstacles.	There are already several CSTD Resolutions on the need to establish a global mechanism on technology assessment and UNCTAD has completed a pilot project on technology assessment in Africa. The rapid advances in frontier technologies including artificial intelligence, there is urgency in creating a global mechanism on technology assessment under the UN.
53. To increase investment in resilient digital public infrastructure and digital public goods, achieve universal connectivity and close the digital divides: a) We commit to develop financing plans and coordinate investment in digital public infrastructures and digital public goods as part of INFFs, and technical support from partners through country-led platforms. b) We will enhance international collaboration between national governments, DFIs, and private sector actors to support countries in their design		This para, regardless of the multiple inputs we've made to date, remains disappointing, as they lack recognition that there is underlying digital inequality, and that unless this is also addressed, investing in resilient DPI and DPGs will fail to achieve its potential. Hence, the modifications made to include that aspect as well as the need for financing mechanisms to address this or at least take it into account.

of digital infrastructure financing models and impact measurement to close the connectivity gap and improve the quality and affordability of connectivity as called for in the Global Digital Compact. c) We will promote access to science and technology for women, youth, and children. d) We invite countries to bring projects on digital public infrastructures and digital public goods to the SDG Investment Fair.	New e. We will incorporate innovations in financing plans and models to address the underlying digital inequality that prevented similar supply-side efforts to succeed in closing persistent digital divides.	
54. To fully realize the potential of digital finance services: a) We will support developing countries in creating enabling domestic environments for development of digital financial services, including with a gender perspective, underpinned by partnerships between local banks and digital financial service firms to expand financial inclusion services' reach, especially in rural areas, and adaptive regulatory frameworks that effectively manage the opportunities and risks of new technologies. b) We commit to implement comprehensive and ethical financial and digital literacy programmes that target all segments of	a.We will support developing countries in creating enabling domestic environments for development of digital financial services, including with a gender perspective, underpinned by partnerships between local banks and digital financial service firms to expand financial inclusion services' reach, especially in rural areas, and adaptive regulatory frameworks based on human rights due diligence requirements and accountability and reparation mechanisms to ~~that~~ effectively manage the opportunities and risks of new technologies.	

society, including women, youth, older persons, people with disabilities, and people in vulnerable situations and marginalised communities, including by mainstreaming these into educational curricula at all levels. c) We invite relevant stakeholders to the respective sessions of the ECOSOC FFD Forum to exchange knowledge and share experiences and expertise on policy and regulatory frameworks to respond to the development of digital financial services, avoiding silo-style regulation. d) We will utilize the ECOSOC FFD Forum and other relevant processes to convene dialogues on the links and impacts of artificial intelligence and fintech and explore the development of a set of principles for safe, equitable, and inclusive development and use of artificial intelligence in fintech.	c.We invite relevant stakeholders to the respective sessions of the ECOSOC FFD Forum to exchange knowledge and share experiences and expertise on policy and regulatory frameworks to respond to the development of digital financial services, avoiding silo-style regulation <u>and erosion of public banking infrastructure.</u> <u>d.</u>We will utilize the ECOSOC FFD Forum and other relevant processes to convene dialogues on the links and impacts of artificial intelligence and fintech and explore the development of a set of principles for safe, equitable, <u>transparent, accountable</u> and inclusive development and use of artificial intelligence in fintech.	
III. Data, monitoring and follow up		

Summary and key takeaways:

- We are deeply concerned with the role of the IATF and with its reports in particular as they represent politically negotiated documents between Secretariats of different agencies and institutions, largely dominated by interests of the Global North and primarily concerned with maintaining the current institutional status quo. The reports have been particularly weak on governance reforms and institutional re-architecture, which are critical dimensions for Global South countries in the FfD process.
- We therefore call on Member States to not further the mandate of the IATF and save financial resources in the process. Instead, we call for intergovernmental follow-up to be strengthened NOT inter-agency.
- This section also pre-empts negotiation outcomes across thematic areas. This is particularly concerning as it entirely ignores critical UN intergovernmental processes that need to be agreed to fill governance gaps. The suggested edits demonstrate these gaps.
- A UN intergovernmental process should be established after the FfD4 outcome document is adopted to agree any data and monitoring framework ensuring that the focus is on international cooperation aspects of the FFD agenda rather than highly prescriptive national implementation and review approaches such as INFFs that is a tool to domesticate the FfD agenda and increase reporting burden on developing countries.

55. Many Member States, in particular developing countries, have not been able to fully capitalize on the power of data. Investment in data and statistics capacity and literacy remains insufficient, resulting in gaps in the availability and use of high quality and disaggregated data and statistics needed to inform evidence-based decision making. Stronger efforts are needed to enhance disaggregated data, accessibility and innovative data sources. Political momentum is also growing for measuring and monitoring progress in sustainable development using metrics that go beyond GDP, including multidimensional vulnerability. At the same time, strengthened mechanisms for monitoring and followup of national and global commitments are vital to ensuring sustained progress on financing for development. The Addis Ababa Action Agenda strengthened the FFD follow-up process, however, challenges remain. Building on the experiences since 2015, steps must be taken to further enhance follow-up at all levels in concrete ways, including improving engagement of all relevant stakeholders and the incorporation of national and regional perspectives into the global dialogue.	55.Many Member States, ~~in particular developing countries~~, have not been able to fully capitalize on the power of data. Investment in data and statistics capacity and literacy remains insufficient, resulting in gaps in the availability and use of high quality and disaggregated data and statistics needed to inform evidence-based decision making. Stronger efforts are needed to enhance disaggregated data, accessibility and innovative data sources. Political momentum is also growing for measuring and monitoring progress in sustainable development using metrics that go beyond GDP, including multidimensional vulnerability. At the same time, strengthened mechanisms for monitoring and followup of national and global commitments are vital to ensuring sustained progress on financing for development. The Addis Ababa Action Agenda strengthened the FFD follow-up process, however, challenges remain. Building on the experiences since 2015, steps must be taken to further enhance follow-up at all levels in concrete ways, including improving engagement of all relevant stakeholders and the incorporation of national and regional perspectives into the global dialogue.	Not just a challenge in developing countries.
56. To enhance investment in data and statistical systems, building on the Cape Town Global Action Plan for Sustainable Development Data: a) We will continue to strengthen our efforts to collect, analyse and disseminate relevant and reliable data disaggregated by income, gender, age, race, ethnicity, migratory status, disability, geographic location and other characteristics relevant in national contexts. b) We commit to the implementation of the Medellin Framework for Action on Data		

for Sustainable Development adopted by the United Nations Statistical Commission in March 2025. c) We commit to increase financial support for data and statistical capacity building in developing countries, especially countries in special situations and those facing specific challenges, and will scale up predictable financing for sustainable development data and statistics. This includes support for the SIDS Center of Excellence, including the SIDS Data Hub as called for in the Antigua and Barbuda Agenda for SIDS, and existing statistical initiatives, including through regional organizations.		
57. To further strengthen data frameworks for sustainable development, accessibility and innovation: a) We support the continued strengthening of the SDG indicator framework, including support for enhancing the consistent reporting on and use of SDG indicator 17.3.1 and prioritization of highquality, disaggregated data collection. b) We encourage broader reporting by South-South providers, building on the United Nations Voluntary Conceptual Framework to measure South-South Cooperation, and support strengthening the role of UNCTAD as custodian. c) We encourage the promotion of open, interoperable data platforms and standards to improve data sharing and accessibility, addressing challenges for developing countries, while respecting privacy and	ADD b bis) We call on Global North countries to further strengthen their national budget and planning processes to meet their global commitments on ODA and climate finance, including presenting annual financing plans to the General Assembly on meeting these global financing commitments and closing the gap on the historical unmet commitments. We invite UNCTAD to provide a template for Global North countries to present such an annual financing plan.	

data protection in accordance with national jurisdictions. d) We encourage the enhanced coordination on data and statistics among IFIs, national and international statistical agencies, the United Nations, Member States, development agencies and relevant stakeholders. e) We invite MDBs and development partners to support LDCs to conduct economic censuses that facilitate the formulation and monitoring of the impact of responsive policies and interventions on private sector development, including on MSMEs, with a view to enhance job creation. f) We encourage leveraging innovation in non-traditional data sources, such as citizen-generated data and remote sensing, supported by public-private partnerships and specific, measurable, achievable, relevant and time-bound (SMART) indicators. We will strengthen capacity for effective data sharing and exchange within government, and between government and the private sector. g) We commit to advance the process on measures of progress on sustainable development that complement or go beyond GDP, as agreed in the Pact for the Future.		
Monitoring and follow-up		
58. To strengthen the follow-up process after the Fourth International Conference on Financing for Development and enhance monitoring, global policy coherence, and links to regional and		We are deeply concerned with the role of the IATF and with its reports in particular as they represent politically negotiated documents between Secretariats of different agencies and

national-level action, without significant new burdens: a) We request the Inter-Agency Task Force on Financing for Development to propose a concise set of financing indicators, in consultation with the United Nations Statistical Commission and its members, in a consultative and transparent manner to measure the progress and implementation of all action areas of the Addis Ababa Action Agenda and [Seville outcome], using existing data and SDG indicators where possible and emphasizing the importance of disaggregation of data where possible, for intergovernmental negotiation and agreement on the framework at the General Assembly by the 81st session;. Financing indicators should be relevant, methodologically sound, measurable, easy to communicate and access, and limited in number. We also invite the United Nations Statistical Commission to follow-up on gaps in coverage and capacity building needs on the financing indicators. b) We commit to deepen substantive discussions at the ECOSOC FFD Forum through an in-depth review and reporting on national and global commitments of the action areas of the financing for development outcomes in a biennial cycle. This will allow for deeper reporting by the Inter-agency Task Force on Financing for Development, more focus in the ECOSOC FFD Forum outcome document negotiations, and more in-depth and meaningful discussion at the ECOSOC	a.We decide to establish a UN intergovernmental process ~~to request the Inter-Agency Task Force on Financing for Development~~ to propose a concise set of financing indicators, in consultation with the United Nations Statistical Commission and its members, in a consultative and transparent manner to measure the progress and implementation of all action areas of all FfD outcomes, including the Monterrey Consensus, Doha Declaration, the Addis Ababa Action Agenda and [Seville outcome], using existing data and SDG indicators where possible and emphasizing the importance of disaggregation of data where possible, for intergovernmental negotiation and agreement on the framework at the General Assembly by the 81st session;. Financing indicators should be relevant, methodologically sound, measurable, easy to communicate and access, and limited in number. We also invite the United Nations Statistical Commission to follow-up on gaps in coverage and capacity building needs on the financing indicators.	institutions, largely dominated by interests of the Global North and primarily concerned with maintaining the current institutional status quo. The reports have been particularly weak on governance reforms and institutional re-architecture, which are critical dimensions for Global South countries in the FfD process. We therefore call on member states to not further the mandate of the IATF and save financial resources in the process. Instead, we call for intergovernmental follow-up to be strengthened NOT inter-agency. This section pre-empts negotiation outcomes across thematic areas. This is particularly concerning as it entirely ignores critical UN intergovernmental processes that need to be agreed to fill governance gaps. The suggested edits demonstrate these gaps. A UN intergovernmental process should be established after the FfD4 outcome document is adopted to agree any data and monitoring framework ensuring that the focus is on international cooperation aspects of the FFD

FFD Forum by Member States and relevant stakeholders on emerging issues and specific challenges, including in the special high-level meeting with the Bretton Woods institutions, WTO and UNCTAD. To strengthen follow-up on action areas in the years that they are discussed in-depth and to contribute to the ECOSOC FFD Forum intergovernmentally agreed conclusions and recommendations, we will: i. on domestic public resources, take into account the special meeting of ECOSOC on financial integrity and the special meeting of the Council on international cooperation in tax matters, which involve all relevant stakeholders. ii. on private business and finance, commit to enhanced engagement of the private sector, including building on existing mechanisms such as the Fourth International Conference on Financing for Development Business Steering Committee and the Global Investors for Sustainable Development Alliance. iii. on international development cooperation, align the ECOSOC FFD Forum and the DCF cycles, with the DCF held prior to and reporting to the ECOSOC FFD Forum. iv. on international trade, hold the special high-level meeting that engages with WTO and UNCTAD in a separate session in the ECOSOC FFD Forum.	i. on domestic public resources, take into account negotiations towards a UN framework convention on tax, the special meeting of ECOSOC on financial integrity and the special meeting of the Council on international cooperation in tax matters, which involve all relevant stakeholders ii.on private business and finance, commit to enhanced ~~engagement~~ regulation of the private sector, including ~~building on~~ intergovernmental review of existing mechanisms such as the Fourth International Conference on Financing for Development Business Steering Committee and the Global Investors for Sustainable Development Alliance. iii. on international development cooperation, establish a UN intergovernmental process towards a legally binding convention on IDC that includes reviewing relevant data and monitoring mechanisms, align the ECOSOC FFD Forum and the DCF cycles, with the DCF held prior to and reporting to the ECOSOC FFD Forum. v. on debt, we agree to establish a UN intergovernmental process to agree a convention	agenda rather than highly prescriptive national implementation and review approaches.

v. on debt, hold a dialogue among the Paris Club, other official creditors and debtors and the United Nations, along with the IMF and World Bank and other relevant actors. vi. on systemic issues, take into account the high-level special meetings of ECOSOC on credit ratings, and invite regulatory standard setters to participate in the ECOSOC FFD Forum. vii. on science, technology and innovation, invite authorities of different jurisdictions to share experience and expertise on policy and regulatory frameworks to respond to the effects of digital technologies on financing for development. c) We will continue to hold the High-level Dialogue on Financing for Development of the General Assembly every four years. d) To strengthen national follow-up, we will appoint focal points for financing for development in our finance and other relevant ministries and establish cross-departmental platforms for financing for development policy coordination and preparing national presentations, building on INFF experiences, where appropriate. e) To strengthen peer review and further enhance participation from capitals, we will invite countries to present Financing Action Reviews on progress and challenges in implementing the Financing for Development outcomes at the ECOSOC FFD Forum, building on INFFs where appropriate, in a similar format to	on debt. ~~hold a dialogue among the Paris Club, other official creditors and debtors and the United Nations, along with the IMF and World Bank and other relevant actors~~. vi. on systemic issues, we agree to establish ~~take into account the high-level special meetings of~~ ECOSOC Commission on credit ratings, and invite regulatory standard setters to participate in the ECOSOC FFD Forum d. ~~To strengthen national follow-up, we will appoint focal points for financing for development in our finance and other relevant ministries and establish cross-departmental platforms for financing for development policy coordination and preparing national presentations, building on INFF experiences, where appropriate~~ e. ~~To strengthen peer review and further enhance participation from capitals, we will invite countries to present Financing Action Reviews on progress and challenges in implementing the Financing for Development outcomes at the ECOSOC FFD Forum, building on INFFs where appropriate, in a~~	Extremely prescriptive at the national level. FfD is about strengthening the international enabling environment and international cooperation aspects NOT increasing burden at national level, particularly for developing countries through tools like the INFFs that are meant to domesticate the FfD agenda. A UN intergovernmental process should be established after the FfD4 outcome document is adopted to agree any data and monitoring

voluntary national reviews on SDG implementation, in a ministerial segment of the ECOSOC FFD Forum to incentivize reporting by Member States, and to catalyze investment through the SDG Investment Fair. We invite the United Nations Development System and United Nations Resident Coordinators to support countries to prepare their Financing Action Reviews. f) We commit to strengthen regional follow-up processes, led by the regional economic commissions, with regular regional reporting on progress, regional committees, and consultations on progress and priorities. g) We will hold a review conference in 2030.	~~similar format to voluntary national reviews on SDG implementation, in a ministerial segment of the ECOSOC FFD Forum to incentivize reporting by Member States, and to catalyze investment through the SDG Investment Fair. We invite the United Nations Development System and United Nations Resident Coordinators to support countries to prepare their Financing Action Reviews~~. g. Retain	framework ensuring that the focus is on international cooperation aspects of the FFD agenda rather than highly prescriptive national implementation and review approaches.
59. We commit to adopt and implement concrete policies and actions within this renewed global financing framework, with the aim of achieving sustainable development, reaffirming and rebuilding trust in multilateralism.		