

Global Policy UN Watch No.5 | 2024

Member State Priorities ahead of the SOTF

16 April 2024 | Summit of the Future (SOTF) Website

Closed Informal Consultations for the Summit of the Future (SOTF) at the ambassadorial level were held on 16 April 2024 to take stock on the current state of negotiations of the Pact for the Future (PFTF). Publicly available statements from the closed consultations by <u>G77 and China</u> and <u>the EU</u> highlight some of their key focus areas ahead of the next round of Pact negotiations, expected to be completed by the beginning of May.

<u>G77 and China</u>: "The Pact should have actionable proposals to accelerate implementation of existing commitments particularly those undertaken at the SDG Summit mainly those on financing, technology transfer and capacity building. In this context, the G77 hopes to see our actionable proposals put forward in the zero draft to bridge the SDG Financing Gap and for the **reform of the IFIs** reflected in the Rev.1."

Some of the proposals the G77 and China address a new general **allocation of US\$500 billion in Special Drawing Rights** as a key tool to unlocking financing for the SDGs, in addition to the urgent need to enact **IMF quota realignment by 2025** and develop metrics that complement or **go beyond GDP**.

The EU: "We cannot merely re-litigate past agreements, but think of better ways to implement them. We must address today's new challenges. This includes addressing the climate crisis, but also a fast-evolving digital world that needs to be effectively regulated, both promoting innovation for positive change and addressing potentially existential risks, including Artificial Intelligence.... A dedicated section in the Pact, such as Chapter 5 (Transforming Global Governance), needs to focus, where possible, on the 'how' for both old and new commitments."

2024 ECOSOC Financing for Development (FfD) Forum Takeaways

22 - 25 April 2024 | FfD Forum Website | FFD4 2025 Website

Anticipating the <u>4th FfD Conference (FFD4)</u> scheduled for 2025 in Spain, this year's ECOSOC FfD Forum discussed issues ranging from the role of IFIs and how to reform them to be fit for purpose, especially for the Global South, to how to leverage international cooperation for nationally-owned sustainable development (<u>full programme</u>).

Few takeaways:

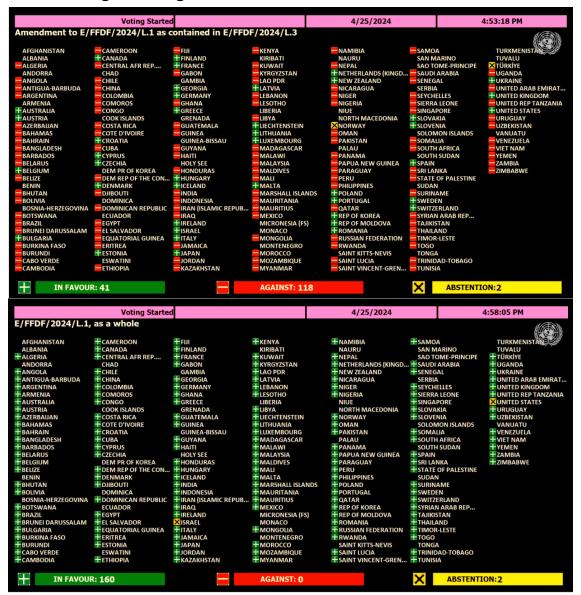
- FfD issues are not limited to fiscal policy but seep into Human Rights protection difficulties. Insufficient public sector funding has deprived people of essential social protection services; many developing countries are spending more on debt servicing than social services.
- Many Member States (MS) address domestic resource mobilization (DRM) as the main driver of sustainable development; priorities differed on how to enhance DRM, from addressing illicit financial flows, "crowding in" private sector investment by derisking it with public finance, fulfilling ODA commitments, expanding and re-channeling Special Drawing Rights (SDR), debt cancellation/work out mechanisms, increased transparency and accountability in cross-border tax cooperation.
- On structural reform, many MS also highlighted the role of credit rating agencies and the need for measures of development that go beyond GDP; they pointed out that inadequate assessment of multidimensional vulnerabilities has led many countries to lose eligibility for concessional funding when they most needed it, especially after the pandemic and natural disasters. Many also addressed the imbalance of representation in IFI governance.

At the <u>closing session</u>, the FfD Forum outcome document as adopted by vote, reflecting disagreements, primarily on unilateral coercive/economic measures and tax cooperation.

Amb. Mathu Joyini, PR South Africa (Co-facilitator of the forum

outcome document): "While we realize that some of our partners are finding it difficult to accept that **unilateral economic measures** have an impact on the ability of countries to fulfill their development aspirations, and making sure that they're not **left behind**, as you always say in this place, we therefore find it disappointing that agreed language on this issue is about to be rejected. I am sure that many others will join me in expressing our profound regret over the fact that we are going to vote in FfD for the very first time.... I would also like to caution that the whole text should not be called to a vote. Why would it be necessary to jeopardize all the gains made in this process over a lack of consensus on just one paragraph?

In the Pact discussions, we are earnestly discussing new ways of working together to overcome the **mistrust** that has permeated international relations, so that we can take bold actions to secure a better future. It is our hope, given this particular moment, and that this is the final outcome document before the fourth conference, that we will choose the high road of **inclusivity and confidence**, rather than polarization, in our approach to these conclusions and recommendations. Looking ahead, perhaps there is a silver lining in that our experience with this outcome will contribute to helping us recognize that certain divisions are there, and that important work therefore needs to be done to close them, to ensure that the success of future processes, such as the Summit of the Future and FFD, don't go through the same."



International Financial Architecture Innovation and the Summit of the Future (SOTF)

15 April 2024 | Panel Discussion at Stimson (info & video)

The Stimson Center hosted an expert panel featuring SOTF co-facilitators Amb. Antje Leenderste (Germany) and Amb. Neville Gertz (Namibia), Amb. Chibamba Kanyama of Zambia to the United States and Alexia Latortue, Assistant Secretary-General for International Trade and Development of the U.S. Department of the Treasury. They explored issues on the reform of the **International Financial Architecture (IFA)** in the context of the IMF and World Bank Spring meetings held 15 - 20 April, as well as negotiations underway ahead of the SOTF.

Chapters 1 and 5 of the SOTF's Outcome document, the Pact for the Future, focus on proposals pertaining to financing for development and overarching **global governance reforms**, of which concrete actions for IFA structural change are critical. While the co-facilitators of the SOTF could not speak specifically to concrete proposals, as negotiations for the Pact are ongoing, they emphasized that discussions are taking place on ways to improve international debt workout mechanisms, increase lending capacity of IFIs, reform of IFI's decision making and voting rights and ways to increase transparency and accountability between borrowers and lenders.

AS-G Latortue emphasized how collaboration and coordination between the IFIs and the UN is particularly important in countries that are affected by situations of fragility, conflict and violence: "For the IFIs to stay engaged, which is something they're getting more comfortable to do in these [conflict] situations, they absolutely need deep partnerships with different parts of the UN system. We can pretend it's not political, but it is political often in situations of fragility."

Amb. Gertz: "The conversations on IFA reform and international debt mechanisms is of great importance to Member States, in particular as it is bearing on their ability to implement the SDGs more effectively. This conversation has gained significant traction and cannot be brushed off as a purely Washington based discussion... The reality is that inequalities embedded in the IFA contribute to a vicious cycle of debt for many developing countries and this is strongly felt in African countries but also broadly in developing countries. This is not only unacceptable but unsustainable if we are serious about achieving the SDGs. The Summit of the Future represents a once in a generation opportunity to rebuild the IFA from the ground up and equip it with the legitimacy and resources to handle today's economic, social and environmental challenges... It is not easy but it needs to be done."

LLDC3 Postponed

24 April 2024 | LLDC3 Website | New dates for LLDC3 PrepCom: 3 to 5 June 2024

WN-OHRLLS @UNOHRLLS · Apr 24 The 3rd UN Conference on Landlocked Developing Countries (LLDC3), initially scheduled for June 2024 in Kigali, has been postponed.

New dates will be announced soon.

Stay tuned for updates!

un.org/en/landlocked



UN DESA Sustainable Development and UN Youth Office

Outcome Document: Fourth International Conference on Small Island Developing States (SIDS4)

11 April 2024 | SIDS4 Website | Webcast of the session

Member States have completed negotiations on the final outcome document of SIDS4, <u>Antigua and Barbuda Agenda for SIDS (ABAS)</u>, to be officially adopted at the conference.

Samoa, on behalf of AOSIS: "It is deeply regrettable that in many instances during the process, SIDS had been forced to compromise their own ambitions to reach agreement, often on our most pressing issues such as **climate change** and on the **rights of local communities**... For SIDS, this process was not about a piece of paper or a document filled with platitudes. It was about our story: the story of our people and our resilience, and not only how we see ourselves, but how we envision our future. So, while where we have ended is not exactly what we as SIDS have envisioned, AOSIS must stress that this is not the end of the process. This is the beginning.

SIDS4 will be held in Antigua and Barbuda on 27 - 30 May 2024 under the theme of "Charting the Course Toward Resilient Prosperity".

GA Debate on Accountability Every Time a Veto is Cast in the Security Council

23 April 2024 | Webcast of the session

GA Resolution <u>A/RES/76/262</u>, also known as the Veto Initiative, was proposed by Liechtenstein, supported by a range of developed and developing countries, and passed unanimously on 26 April 2022. The initiative is triggering a debate in the GA within 10 working days of a veto cast in the Security Council. In its second annual debate on the initiative, the General Assembly looked back on a year fraught with dissent, in which almost a dozen vetos were cast.

Amb. Christian Wenaweser, PR Liechtenstein: "Since the adoption of 76/262... Every State casting a veto has come to the General Assembly to account for its actions in front of the Membership. ...States have taken the opportunity to respond to the explanations of those casting a veto. The veto is no longer the end of the conversation. As we move forward, we must also ensure that a veto is not the end of UN action.

...Firstly, we must take further efforts to enhance the accountability of the Security Council to the membership. ...Secondly, we must consider how our commitments to oppose the abuse of the veto can be implemented in other ongoing processes. Resolutions on the **revitalization of the General Assembly** should continue to highlight the evolving peace and security role of this body.

Chapter 5 of the Pact for the Future is an opportunity to envision a world in which the veto is made subservient to our obligations to the Charter, rather than one in which the veto is abused to justify breaches of the Charter. Finally, the General Assembly must be ready to fill the gap left by the use of the veto....

...A veto is a clear signal that the Council has failed to exercise its primary responsibility. The Veto Initiative was conceived as a reaction to Council paralysis due to the threat or use of the veto that endangers international peace and security."

UN To Hold "Second World Summit For Social Development" In 2025

27 February 2024 | Full press release | Website | Resolution A/78/L.39

The UN GA has decided to convene the "Second World Summit for Social Development" in 2025, to address gaps and recommit to the principles outlined in the 1995 <u>Copenhagen Declaration on Social</u> <u>Development and Programme of Action</u> and give momentum towards the implementation of the <u>2030 Agenda for Sustainable Development</u>.

UN Secretary-General: "This would be an opportunity to [live] up to the values, including trust and listening, that underpin the social contract. The Summit outcome could be an update of the 1995 Copenhagen Declaration on Social Development, covering issues such as universal social protection floors, including universal health coverage, adequate housing, education for all and decent work, and give momentum towards achieving the Sustainable Development Goals."



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