

SOTF: Pact for the Future Rev.1 presentation 15 May 2024 | Webcast of the session

Amb. Antje Leenderste (Germany) and Amb. Neville Gertz (Namibia) presented <u>the first revision of the Pact for the Future</u> to Member States. They highlighted their aim for a text that is action-oriented, raises ambitions and strengthens "international cooperation guided by trust, equity, solidarity and universality". At the presentation, 19 Member States gave preliminary comments on the Rev.1 and appreciated the Co-facilitators' efforts to make the document concise, ambitious and inclusive of their inputs. Member States gave more detailed feedback at a closed ambassadorial-level meeting held on 28 May, and excerpts from the available statements are below. See the roadmap ahead for Pact negotiations in the letter from the Co-Facilitators (14 May).

Excerpts of available Member State statements from the closed Ambassadorial Meeting:

Uganda, on behalf of G77 and China: "We believe that the pact did not include several action paragraphs on subjects that are of extreme importance to the developing countries, the group will propose standalone actions on the following topics:

1. **Poverty eradication** and the provision of means of implementation to developing countries to achieve the overarching goal of the Agenda 2030 and the SDGs.

2. Ending hunger and achieving food security.

3. The **economic dimensions** of sustainable development.

Additionally, the group believes that more can be done to further elaborate and strengthen the language on fundamental issues for the G77 as well as to clarify on the responsibilities of developed countries. The Pact therefore needs to: Include the full reference to the **Rio Principles**; Address **education** as a fundamental steppingstone to achieve sustainable development; Integrate **disaster risk reduction**; Provide for the improvement of **triangular and South-South cooperation**; Protect and promote **Intellectual Property Rights**, in a manner that favors more to developing countries."

United States: "We are pleased by the reaffirmation of the UN Charter, the emphasis on **human rights**, the **empowerment of women and girls**, and the promotion of **multistakeholder participation**.... We also appreciate the call to develop protocols for **emergency platforms** in the event of complex global shocks, as well as the support to develop **metrics beyond gross domestic product**.... [T]here are some areas where we have concerns. The Rev.1 text strives to balance priorities across the development, human rights, and security pillars of the UN. However, the level of specificity is uneven. For instance, we support the **reform of the international financial architecture**, but we are concerned by the specificity of some of the proposals, even as the draft recognizes that these institutions have their own governance mechanisms."

Cuba: "...we remain worried by the inclusion of ideas that remain unclear for us, like the **Emergency Platform**. We would not be able to endorse this until we have clarity on the specific design and functions this would accomplish. We do not understand either why there are requests to the Secretary-General to suggest improvements on **subsidiary bodies of the ECOSOC** when its membership should be the one carrying on these endeavors."

European Union: "The multiplication of crises shows how important it is to invest more in prevention and that national prevention strategies are helpful in that regard. We need also to be more explicit on **counter-terrorism operations** and on a new generation of peace enforcement... We also believe that **UN peacekeeping missions** remain an important tool to be highlighted, with a renewed sense of collective commitment and strengthened capacities to address new challenges such as disinformation.... We have to convey the highest possible level of ambition for the **Fourth International Conference for Financing for Development** next year. Heads of State and Government can and should harvest low hanging fruit on issues that are mature. They must give a political push to important ongoing processes. But, we need also to be mindful that the preparatory process for FFD4 will only be kicked off in Addis Ababa in July. We have to draw the right distinction between ambition and prejudging processes and dictating outcomes."

UNSC Reform: Nothing is agreed until everything is agreed.

May 2024 | Intergovernmental Negotiations on Security Council Reform

President of the General Assembly Dennis Francis: "When the [Security] Council is unable to act, it is both desirable and necessary under the prevailing rules that the General Assembly steps forward - lest we risk further questions on the relevance and the deepening casting of aspersions on the efficacy of our organization itself. And the [General] Assembly must do so - not in a siloed fashion - but in coordination with the Council, as a cohesive unit of United Nations, collectively responsible for the consequences of both the actions and inactions of the United Nations as an organization."

In the process towards broad reform of multilateral system, <u>South Africa</u> has stated its view that "the reform of the [Security] Council is the most important requirement for a reformed multilateral system, and as Member States begin the process of defining the Pact of the Future, it is this fundamental understanding that needs to be foremost." (<u>13 Dec 2023, IGN</u>)

The Pact for the Future, the outcome document of the <u>Summit of the</u> <u>Future</u>, will address Security Council reform in its Chapter 5 on global governance. The <u>Pact's annotated draft</u> and process have a placeholder for input from the Intergovernmental Negotiations (IGN), which is due by the end of June 2024. The draft <u>input to the Pact</u> was under discussion in IGN meetings on 20 and 21 May, and deliberations will continue on 20 and 21 June 2024.

The linkage between on-going and decades-long Security Council reform deliberations and the deadline for adopting the Pact for the Future has contributed to the intensity of engagement from all Member States and shaped alignments and alliances that cross Global North and Global South definition.

Resolution adopted by UN Human Rights Council on effects of debt on human rights

5 April 2024 | <u>A/HRC/RES/55/6</u>

55/6. Effects of foreign debt and other related international financial obligations of States on the full enjoyment of all human rights, particularly economic, social and cultural rights was adopted by a recorded vote (31 to 12 with 4 abstentions).

Excerpt:

"Recognizing the commitments made in the Addis Ababa Action Agenda of the Third International Conference on Financing for Development, and noting that, despite international debt relief efforts, many countries remain vulnerable to debt crisis and some are in the midst of a deepened crisis due to the coronavirus disease (COVID-19) pandemic, including a number of least developed countries and small island developing States and some developed countries...

Reiterates its call on States, international financial institutions and private creditors to participate in and implement the enhanced programme of debt relief without further delay and for industrialized countries to agree to cancel all the official bilateral debt of those countries covered by the programme in return for their making demonstrable commitments to poverty reduction."

UN Fifth Committee on the Liquidity Crisis

20 May 2024 | Webcast of the Session

Singapore (timestamp: 13:20): "As we discuss the Summit of the Future and the Pact for the Future, it is imperative that we find a sustainable and long term solution to the recurring liquidity crisis that all of us are facing here at the United Nations. To put it differently, the future of the United Nations and the prospects and success of our work here at the United Nations cannot be held hostage by the liquidity crisis. The future of multilateralism cannot be held hostage especially if it is caused by the nonpayment of assessed contributions, which is a legally binding obligation under the charter. It is therefore important that anyone who is committed to the multilateral system fulfill their obligations and make their assessed contributions in full and on time."

These issues were the subject of the <u>briefing held on 10 May</u> by Catherine Pollard, Under-Secretary General for Management Strategy, Policy and Compliance to update Member States on the current financial situation of the UN:

USG for Management, Policy and Compliance Catherine Pollard: "Despite starting 2023 with a regular budget cash surplus, we ended 2023 with a **cash deficit of over \$400 million**. While collections so far in 2024 have been better than anticipated, there is no room for complacency. The improved situation is partially due to payment of arrears but does not necessarily point to a better situation for the yearend compared to last year. The end of 2024 could be potentially as bad or worse than 2023, unless collections this year significantly exceed the average of the last five years...

"As of today, 10 May 2024, 47 Member States have paid all assessments due and payable in full... The Organization can only solve the liquidity crisis with the support of Member States - meeting their financial obligations in full and in a predictable and timely manner. The Secretary-General has urged you repeatedly to revisit his past proposals and review the liquidity challenges holistically. Your previous decisions have increased the liquidity for regular budget and peacekeeping operations but more is needed to prevent cyclical liquidity shortages, especially for regular budget operations."

*As of 20 May, 111 Member States have now paid their Regular Budget assessments in full.



UN S-G's 2024 Quadrennial Comprehensive Policy Review (QCPR) Snapshot

April 2024 I 2024 QCPR I A/79/72/ADD.1 & A/79/72/ADD.2

The new QCPR cycle beginning in 2024 will set the foundations for the subsequent four years of development and humanitarian activities of the UN Development System (UNDS). These were taken up in detail at ECOSOC <u>Operational Activities for Development Segment (OAS)</u>, 14 - 16 May 2024. See the full <u>Roadmap to the 2024 QCPR</u>.

Total funding to the UNDS for operational activities amounted to USD \$54.5 billion in 2022, a 17% increase from 2021. Non-core, earmarked contributions continue to constitute the majority of this funding. Non-core, earmarked funding totalled USD \$46.5 billion in 2022, a majority of which was tightly earmarked for specific projects and programmes. Core contributions accounted for only 16.5% of total funding to the UNDS in 2022, down from 20.9% in 2021. UNDS receives substantially less core resources than other multilateral channels of aid, and non-core (earmarked) resources strongly outweigh the core resources.



(A/79/72-E/2024/12)

Humanitarian contributions continue to exceed that of development contributions. Of the USD \$54 billion spent on operational activities for development in 2022, **61% of expenditures were allocated to humanitarian activities** compared to **39% for development activities**.

In 2022, the **top three government donors to the UNDS alone accounted for 42% of total funding** and the **top ten government donors accounted for 60% of total funding.** Top Ten in order: United States (27%), Germany (12%), the United Kingdom (3%), Canada, Japan, the Netherlands, Norway, Sweden, Switzerland, France.

Funding the UN Resident Coordinator System: Excerpts from 2024 ECOSOC OAS

14-16 May 2024 | ECOSOC OAS website (with links to the webcasts)

The <u>Resident Coordinator (RC) System</u>, a cornerstone of the UN Development System (UNDS), has suffered from chronic underfunding since the repositioning of the UNDS in 2018. At the 2024 ECOSOC Operational Activities for Development Segment (OAS), Member States discussed the S-G's proposal detailed in <u>A/78/753</u> to ensure predictable, sustainable and adequate funding for the RC System with assessed contributions in the UN Regular Budget.

Excerpt from Member States:

Burundi on behalf of the Africa Group: "As the largest recipient of the RC system, which includes 53 RCs and offices, Africa directly feels the impact of any challenges within this system. Our continent's diverse needs, from hosting SIDS, MICs to LDCs and LLDCs, require tailored support from the UN to advance the 2030 Agenda and the SDGs, along with the Agenda 2063. Data shows that post-reforms, the UNDS, led by the RCs, is providing support tailored to each country's specific needs...The current shortfall of \$64 million out of a total budget of \$281 million risks undermining the effective delivery of programmatic activities. This funding gap threatens the sustainability of the RC system in developing countries—a situation that Africa cannot afford. We reiterate our support for the Secretary-General's proposal for predictable and sustainable funding for the RC system and urge all delegations to engage constructively in the Fifth Committee to resolve this funding issue."

A special edition of GPUNW on UN funding is forthcoming.

9th Expert Mechanism on the Right to Development: Proposal for an International Covenant on the Right to Development

1 - 2 May 2024 | 9th Session of the EMRTD website (with links to webcasts)



Munir Akram, Permanent Representative of Pakistan to the UN

The 9th Expert Mechanism on the Right to Development (EMRTD) took place on 1-2 May at UNHQ against the backdrop of resolution <u>A/HRC/RES/54/18</u> adopted (29 to 13, with 5 abstentions), which resulted

in the submission of a Draft International Covenant on the Right to Development for Member States' consideration. On the draft covenant, **Pakistan** (timestamp: 32:08) stated:

"It is amazing that some **3.3 billion people**, almost half of humanity, live in countries which **spend more on debt interest payments than on education** within the year. [T]hese 3.3 billion people are concentrated in poor countries. And because they are in poor countries, **their debt payments crush the people of those countries**, and they are not considered a systemic risk to the international financial system. If this were to be happening in the Americas or the European continent, I imagine that they would respond with alacrity in saving the international system... And this is why we insist on the establishment and acceptance of a binding right to development which would oblige all countries and all peoples in every government to respond to such situations as they do when civil and political human rights are violated....

...It has been **35 years since the adoption of the Declaration on the Right to Development** which recognized and established the right as a fundamental and inalienable right. Now we must move to transform that into a legal and political reality. We are most appreciative of the fact that the Human Rights Council has adopted and transmitted it to the International Covenant on the Right to Development for the consideration and adoption by the General Assembly. Together with our colleagues, the Non-Aligned Movement, and the Group of 77 and China, it is Pakistan's intention to bring forward **a resolution for the adoption of the Convention that has been transmitted by the Human Rights Council.** And it is our hope that unlike in the Human Rights Council, that this Convention will receive universal support in the General Assembly. But regardless of that, we intend and hope that this Convention will be adopted by the General Assembly and will be opened for signature and ratification by all Member States of the United Nations."

New INFF Facility Report

24 April 2024 | Webcast of the FfD Forum side event | Full report

During the 2024 ECOSOC Financing for Development Forum, the Integrated National Financing Framework (INFF) Facility launched its latest report, "<u>Making Finance work for people and planet: How countries</u> are building their sustainable finance ecosystem through INFFs" which provides insights on best practices and lessons learned from participating countries' experiences in using the INFF approach.



Excerpts from the country presentations:

Ghana: "Ghana was one of the [INFF] pioneer countries. ...we saw it as a useful tool that serves as a prompt and guide to not only assess the status of our development, finance, but also as a tool for prioritizing what needs to change in the sourcing and utilization of development resources... The decision to adopt a bottom up approach for delivering on the INFF targeted citizens directly at the local level of governance and put the SDGs at the heart of the local government financing so we ensured that the metropolitan, municipal and district assemblies played a central role in finance and implementing the SDGs."

Maldives: "The domestic resources we need are not sufficient to meet the disproportionate cost of adapting to climate change, but the country is trying to move the needle on climate finance by moving every penny at our disposal. Since its launch, we have prioritized areas such as fossil fuel subsidy reforms... we have implemented SDG budget tagging to enhance transparency in how public funds are directed towards achieving sustainable development goals... Our INFF also integrates gender considerations across its objectives, recognizing the uneven impact of climate change on the most vulnerable segments of society, and ensuring that our adaptation and mitigation strategies empower all community members to participate in and benefit from our climate actions."

Sierra Leone: "As part of the immediate outcomes of producing the INFF, the government, UNDP and UNCDF quickly secured catalytic funding to commence the implementation of the framework through the Joint SDG Fund project on strengthening domestic resource mobilization... The capacity of local councils to effectively mobilize local revenue has been enhanced and advocacy on tax compliance has intensified both at the local and central level."

Tanzania: "In most of the developing countries, there has been a missing link between the national development plans and the financing and financial resources needed to achieve them. And that is the key issue with this Integrated National Financing Framework... Since 2021 when we adopted the INFF, there have been significant reforms in the financing of government development plans, including our need to go for the credit rating. Now, the country is rated for the first time and very recently, we all know that Moody's have recently upgraded the rating from B2 to B1 with a stable outlook."





