

ANALYSIS¹ OF AND RECOMMENDATIONS FOR THE FINANCING FOR DEVELOPMENT (FFD) ZERO DRAFT (DATED 16 MARCH 2015) A COLLECTIVE ASSESSMENT BY THE CSO FFD GROUP

I. OVERARCHING COMMENTS

While the FfD Elements paper of January 2015 was a balanced document Civil Society Organizations (CSOs) find that the 16 March zero draft is tilted toward the interests of large international finance and international financial institutions rather being aligned to a genuine sustainable development and right to development agenda. It is imperative that the FfD outcome document reaffirms the **global partnership for development** in spirit, values and principles of the centrality of the role of States as duty bearers within a rights-based framework. The third FfD outcome document should not result in a retrogression from the achievements of the Monterrey Consensus of 2002 and the Doha Declaration for Development of 2008. The two existing FfD outcomes should serve as a baseline for the Addis Ababa outcome document. Any downward movement from the achievements of Monterrey and Doha will not bode well for the expectations that Addis Ababa will help build trust toward an ambitious outcome in the post-2015 development agenda and a climate deal at the COP 21 in Paris.

Some key issues of concern with the current 16 March FfD zero draft:

- ❖ The Rio Principle of **common but differentiated responsibilities** (CBDR) is not adequately recognized or integrated into the current zero draft. CBDR embodies the trinity of universality, differentiation and responsibility. Differentiation should be the basis of crafting FfD commitments; responsibility should be the basis of delivering on goals and commitments; and, universality widens the relevance and commitment of the FfD content to all member states. The principle of CBDR is indispensable for political legitimacy, as well as for the balance, coherence and impact of the Financing for Development agenda and the larger post-2015 development agenda.
- ❖ The **structure and titles of chapters** in the current zero draft has changed significantly from that of both the Monterrey Consensus and Doha Declaration. The new structure alters a delicate balance that existed in the pillars of the Monterrey Consensus and undermines the ability to ensure that the Addis Ababa Summit can hold governments accountable to their agreements therein, including previous commitments. A majority of Member States, as well as civil society, have called for maintaining the original structure and titles.
- ❖ While we acknowledge the opening reference to ensuring “gender equality and protect and promote all human rights, including the right to development”, we believe this commitment is not consistently reflected throughout the document. Further, we raise serious concerns over the contradicting tendency towards the **instrumentalisation and commodification of women** to improve profitability and competitiveness of business (para 42), as a source of tax (para 20, 22) or to promote market access for financial services (para 41, 42, 43) and ITC (103). This instrumentalization is a dangerous departure from recognizing the inherent entitlements of women as full and equal citizens and subjects of human rights.
- ❖ The current zero draft contains a very **weak recommitment to the 0.7% ODA target**. This is linked to an international approval of the concept of blending ODA with private finance without addressing current pitfalls in this practice. The ODA language, along with many parts of the zero draft, place a disproportionately strong emphasis on promoting the role of the private sector. Such an approach undermines the prospects of getting more developed countries to deliver on 0.7%, untie aid and ensure a robust commitment to poverty eradication and sustainable development. Moreover, the principles of effectiveness are confined within the boundaries of international

¹ This document features the collective in depth-analysis of the Zero Draft by the broad international group of Civil Society Organizations and Networks that follows the Financing for Development (FfD) process.

public finance, which fails to grasp the agreed principles of ownership, inclusiveness, transparency and accountability with a focus on results that are inherent to a global partnership for sustainable development.

- ❖ **New and additional financing for climate and biodiversity** is not ensured in the current zero draft. Rather, limited ODA is to be spread even thinner. This goes against the very purpose of ODA, while also undermining the UNFCCC process and serious efforts to mobilize climate finance.
- ❖ On **debt** sustainability and debt restructuring, the zero draft treats progress in different forums in an unequal way. In fact, the draft blatantly ignores four key areas where the UN has ongoing work (the UN ad hoc committee on a multilateral framework for sovereign debt restructuring, the UNCTAD-convened working group on sovereign debt workouts, the Guiding Principles on Foreign Debt and Human Rights and the Principles on Responsible Sovereign Lending and Borrowing).
- ❖ There is an explicit push to shift financial obligations to middle-income developing countries through the term “**new donors**.” The terms “South-South cooperation” and “triangular cooperation” are used to divert attention from the imperative of developed country commitments in the established UN principle of international development cooperation.
- ❖ The role of private finance is omnipresent, without an accompanying emphasis on need and the responsibilities of the state to regulate private international capital flows. There is a clear and a critical endorsement given to the **G20's Financing for Infrastructure** (via public-private partnerships) agenda, including the extent of integrating infrastructure financing into national budgets. This is problematic on several counts, particularly through the socialization of risks and costs and privatization of resources and wealth.
- ❖ The Addis Ababa outcome should deliver specific and **actionable goals** defined by clear time-based targets. *For example (dates are mere suggestions):* to reduce Illicit Financial Flows by 50% by 2020; establish a UN intergovernmental tax body by 2018; create mandatory reporting on sustainable development impact based on indicators developed by the UN Statistical Commission by 2020; agree to formulate environmental and social safeguards for public-private partnerships in the UN system by 2018; agree to act on equal pay and equal opportunities legislation in all countries by 2020 in order to address the gender pay-gap; and so on.
- ❖ In order for the Addis Ababa outcome to have relevance for the post-2015 development agenda and to act as a key part of the means of implementation for the Sustainable Development Goals, all **three pillars of sustainable development** (economic, social and environmental) should be integrated in the zero draft and FfD agenda. This would help operationalize a pre-analytical vision of the economy being a subset of the society and the environment.
- ❖ The **FfD follow-up process** is weak and vaguely defined. Producing clear timelines, processes and ensuring sufficient institutional capacity is critical to ensure that the FfD outcome is delivered upon. The central paragraph on follow-up is Paragraph 121, which requires more precision and expansion. It is important to reflect on what kinds of follow up, besides a UN inter-agency task force and a follow-up FfD conference, should be suggested. What is the link between the Addis Ababa outcome and the post-2015 development agenda, which includes the Sustainable Development Goals? What are the concrete activities for FfD follow-up, review and accountability over commitments?
- ❖ Civil society considers the zero draft as detrimental to the interests of sustainable development and biased towards TNCs and private finance overall. There is no logical explanation as to why “elements” contained in the Elements paper that received wide support from civil society and member states were dropped and a structure that was criticized was maintained. There should be a transparent process that ensures that **member states drive the process and outcome**. Member states should be able to propose the “elements” they support with proper identification of who objects to what in order to allow for legitimate negotiations towards a substantial FfD outcome.

II. PARAGRAPH-BY-PARAGRAPH ANALYSIS AND RECCOMENDATIONS

#	Current Zero Draft Text	Analysis	Proposals for text edit
I. A global framework for financing sustainable development			
<p>The document fails to recognise the current reality of the net transfer of financial resources from developing countries to developed ones. Furthermore, the current global division of labour traps many developing countries into primary commodity-based economies with value addition mostly taking place in developed countries, with profound implications in terms of import-dependence, employment opportunities and tax mobilizations. The failure to assert these fundamental assumptions leads to a mistaken narrative that magnifies the challenge of bridging the financing gaps for sustainable development rather than promoting one that aims to rectify the persistence of these economic and financial power structures and the outflow of vital resources from the developing world.</p>			
1	<p>We, the Heads of State and Government and High Representatives, gathered in Addis Ababa, Ethiopia, from 13 to 16 July 2015, have resolved to address the challenges of financing for sustainable development in the spirit of global partnership and solidarity. Our ambition is to eradicate poverty, inequality and hunger, to achieve equitable and sustained economic growth and sustainable development, to protect the environment, and to promote peaceful and inclusive societies where no one is left behind. We commit to ensure gender equality and promote and protect all human rights, including 'the right to development, in a world where all people are able to raise their standards of living through decent work and productive livelihoods, while preserving the planet for our children and future generations.</p>	<p>The ambition is too broad to be realised by FfD alone and the opening paragraph requires some contextualization in order not to be exclusively rhetoric.</p> <p>Nevertheless, we note the language about ensuring “gender equality and protect and promote all human rights, including the right to development”. However, the commitments to Gender Equality, Human Rights, including Women’s Rights, as well as the Right to Development, should be consistently integrated throughout the document, beyond the introduction.</p> <p>We also miss in the draft the rights based approach to the inclusion of persons with disabilities and the reflection of the Convention on the Rights of Persons with Disabilities (UNCRPD).</p> <p>Furthermore, the language related to human rights should be to “respect, protect and fulfil” human rights.</p>	<p>Suggested language:</p> <ul style="list-style-type: none"> • “(...) promote peaceful, inclusive and equal societies” • “(...) to ensure gender equality, women’s empowerment and equality of persons with disabilities and (...)” • “(...) respect, protect and fulfil all human rights” (delete “promote”; add “respect” and “fulfil”) • Para should be revised to reflect the ambition set in the UN resolution to establish the FfD process

<p>2</p>	<p>In September of this year, the United Nations will host a Summit to adopt an ambitious and transformative post-2015 development agenda, including Sustainable Development Goals (SDGs). We have come together in Addis Ababa to establish a holistic and forward-looking framework and to agree on concrete actions to deliver on the promise of that agenda and to achieve sustainable development. We reaffirm and build on the 2002 Monterrey Consensus and the 2008 Doha Declaration. Our task is threefold: to follow-up on commitments made in Monterrey and Doha; to further strengthen the framework to finance sustainable development and the means of implementation for the universal post- 2015 development agenda; and to ensure that the actions we agree to are implemented and reviewed in an appropriate, timely and transparent manner.</p>	<p>This paragraph is too vague on the objectives of the conference. The FfD Modalities resolution has stronger language of what the conference is about: “(...) will assess the progress made in the implementation of the Monterrey Consensus and the Doha Declaration, reinvigorate and strengthen the financing for development follow-up process, identify obstacles and constraints encountered in the achievement of the goals and objectives agreed therein, as well as actions and initiatives to overcome these constraints, and address new and emerging issues, taking into account the synergies among financing objectives across the three dimensions of sustainable development, as well as the need to support the United Nations development agenda beyond 2015 (paragraph 7, resolution A/RES/68/279)”.</p>	<p>Language in para 2 should reflect the UN resolution on FfD Modalities and be consistent with it regarding the focus of the meeting</p>
<p>4</p>	<p>Current policy, financing and investment patterns are not delivering the future we want. There are enormous unmet financing needs for sustainable development. Estimates vary due to the complexities of quantifying needs, but consistently point to a significant financing shortfall. The 2008 financial crisis exposed risks and vulnerabilities in the international financial system. Some countries have fallen further behind, and inequalities have increased. Global growth has moderated and is projected to remain below pre-crisis levels. Shocks from economic crises, conflict, natural disasters, and disease outbreaks spread rapidly in our highly interconnected world. Environmental concerns,</p>	<p>The latest financial crisis and the economic recession from 2008 were intertwined with crises of food, energy, water, the environment, work and care, underscoring the systemic nature of the problem. While crises are far from new – indeed, much of the global East and South have been in crisis for the past three decades – the latest ones have further aggravated pre-existing challenges and, as a result, threatened the meagre development gains of the last few years.</p> <p>Furthermore, inequality has increased in many countries both during growth and crisis years, and poverty and hunger persist amid great plenty for some. Global growth has been anaemic in the post-</p>	<p>The text should be revised to highlight the linkages between the multiple crises and their impacts on development, equality and all people’s human rights. Add “worldwide” to the sentence that ends with “inequalities have increased”.</p> <p>It would be useful to refer/mention the outcome document of the Conference on the World Financial and Economic Crisis and its Impact on Development, para 1: “The world is confronted with the worst financial and economic crisis since the Great Depression. The evolving crisis, which began within the world’s major financial centres, has spread throughout the global economy, causing severe social, political and economic impacts. We are</p>

	<p>climate change and other global risks threaten to undermine past successes and future prospects.</p>	<p>crisis period and fiscal pressures have increased. The developing world faces the effects of the crisis response policies by developed countries in terms of falling growth rates, external financing difficulties, enterprise bankruptcies and development setbacks. Inequality post-crisis has therefore risen and socioeconomic polarity has extremefied.</p>	<p>deeply concerned about its adverse impact on development. This crisis is negatively affecting all countries, particularly developing countries, and threatening the livelihoods, well-being and development opportunities of millions of people. The crisis has not only highlighted long-standing systemic fragilities and imbalances, but has also led to an intensification of efforts to reform and strengthen the international financial system and architecture.” [A/RES/63/303]</p>
<p>5</p>	<p>Yet, solutions can be found through strengthening official finance, unlocking the transformative potential of people and the private sector while ensuring that investment patterns support sustainable development, and by strengthening national and international policy environments. We recognize that effective policies, regulatory frameworks and appropriate incentives at all levels are essential for the shift towards sustainable development. We reaffirm the importance of freedom, peace and security, good governance, rule of law, sound economic policies and solid democratic institutions at the national and international levels. These are central to enable the effective, efficient and transparent mobilization and use of resources. We commit to pursue policy coherence for sustainable development at all levels and by all actors.</p>	<p>The first part of the paragraph is eroding the global partnership for development. States under the principle of International Cooperation and CBDR are the primary duty bearers. The current draft also fails to acknowledge the country ownership and leadership of development processes. We reiterate that each country has the right to define its own development path.</p> <p>There is also no mention of gender equality, despite the high disparity between how men and women are treated in the modern economy.</p> <p>The phrase “...unlocking the transformative potential of people and the private sector” should not merge people and the private sector into one sentence. Indeed, the transformative potential of people is often hampered by the unregulated practises of the transnational private sector. Any mention of the private sector needs to stress that its activities should be aligned with both international human rights and the three pillars of sustainable development.</p>	<p>The para should start with the re-affirmation of the role of the States as primary duty bearers.</p> <p>The para should include the language on partnerships for effective development co-operation: “Yet, solutions can be found through the implementation of inclusive partnerships, democratic ownership and leadership, transparency and accountability and focus on result based outcomes.”</p> <p>The para should also be amended with the language that follows in bold: “We reaffirm the importance of freedom, (...). We commit to strengthening the ownership and the national leadership of development processes (...)”</p> <p>After “(...) transparent mobilization and use of resources” add “To this end, States must make every effort to put an end to discriminatory practices against marginalized and disadvantaged people and communities, in order to ensure their effective participation in this process.”</p>

<p>6</p>	<p>We reaffirm that gender equality and women’s empowerment are essential to achieve equitable and effective sustainable growth and development. We reiterate the need for gender mainstreaming in the formulation and implementation of financial and economic policies and agree to implement transformative actions to ensure women’s equal rights, access and opportunities for participation and leadership in the economy</p>	<p>We partly welcome wording in para 6 and every other encompassing reference to ensure women’s equal rights and their empowerment. However, we do not support the commodification of women as agents to improve profitability and competitiveness of business (as suggested in para 42). Women are subjects of human rights, which requires enabling conditions to ensure all their human rights are fulfilled and guaranteed (see further related comments in para 42).</p> <p>Furthermore, there is no mention of dedicated resources (essential for gender mainstreaming, as well as, for gender equality and women’s empowerment specific programming) as stated in both the Monterrey Consensus and Doha Declaration, so the language here is regressive. Paragraph 4 of the Doha Declaration contains stronger language on gender: “4. We recall that gender equality is a basic human right, a fundamental value and an issue of social justice; it is essential for economic growth, poverty reduction, environmental sustainability and development effectiveness. We reiterate the need for gender mainstreaming into the formulation and implementation of development policies, including financing for development policies, and for dedicated resources. We commit ourselves to increasing our efforts to fulfill our commitments regarding gender equality and the empowerment of women.” Paragraph 64 of the Monterrey Consensus also agrees to “Mainstream the gender</p>	<p>Suggested language (additions in bold):</p> <p>“We reaffirm that gender equality and women’s human rights and empowerment are essential to achieve equitable and effective inclusive sustainable growth and development. We reiterate the that gender equality is a basic human right, a fundamental value and an issue of social justice; it is essential for economic growth, poverty reduction eradication, environmental sustainability and development effectiveness². We reiterate commit to respect, protect and fulfil women’s human rights and to fulfil our commitments to the need for gender mainstreaming into the formulation and implementation of development policies, including financing for development of financial and economic policies at all levels and in all sectors and we agree to implement policies to ensure women’s full access to and control over economic resources. We commit to dedicated resources and to ensure all national and sectoral plans and policies to achieve gender equality, the empowerment of women and that the realization of women’s and all people’s equal human rights, are fully costed and adequately resourced to ensure the effective implementation. access and opportunities for participation and leadership in the economy.”</p>
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² Doha Declaration quote.

		<p>perspective into development policies at all levels and in all sectors.”</p> <p>We also recommend to use “women’s and all people’s equal rights”, language that would be more inclusive of all people independent of their gender identities.</p>	
7	<p>Cohesive, national sustainable development strategies to facilitate sustainable and stable growth, structural transformation, social inclusion and environmental sustainability, supported by integrated national financing frameworks, will be at the heart of our efforts to implement the post-2015 development agenda. We reiterate that each country has primary responsibility for its own economic and social development and that the role of national policies, domestic resources and development strategies cannot be overemphasized.</p>		<p>Suggested language (additions in bold):</p> <p>“(…) development strategies cannot be overemphasized. [ADD] In line with the principle of leaving no one behind, we commit to take the poorest 20% in every population as a benchmark for the success of our national sustainable development strategies.”</p>
8	<p>At the same time, we recognize that our countries’ sustainable development prospects will depend on our joint efforts to address global challenges. National development efforts need to be buttressed by an enabling international economic environment. Our national strategies must be supported by a new global partnership for sustainable development, based on efforts and responsibilities shared by all, taking into account different national realities and needs and the differentiated impacts of national policies on global sustainable development prospects. We acknowledge the needs of countries in special situations, including least developed countries (LDCs), landlocked developing countries (LLDCs) and</p>	<p>The line on ‘new global partnership for sustainable development’ is not acceptable as it seeks to redefine the concept of global partnership for development, which has been consistently defined as the obligations of developed countries to assist and support developing countries, and the need to reform the unequal world economic structures and governance that disadvantage developing countries.</p> <p>The sentence “based on efforts and responsibilities shared by all (…)” does not reaffirm developed countries’ obligations to developing countries and instead removes the distinction between developed and developing countries. This removes a historical perspective and the historical responsibilities of</p>	<p>Suggested language (additions in bold):</p> <p><u>Second sentence:</u> “The national development plans and actions of developing countries need to be supported and assisted by developed countries in an enhanced and strengthened global partnership for development. Such global partnership for development needs to be firmly based on national ownership of development processes”</p> <p><u>Fourth sentence:</u> “We recognize the needs of countries in special situations, including least developed countries (LDCs), landlocked developing countries (LLDCs) and small-island developing States (SIDS), countries in conflict and post-conflict situations, sub-Saharan Africa as well as the specific</p>

	<p>small-island developing States (SIDS), countries in conflict and post-conflict situations, sub-Saharan Africa as well as the specific challenges facing the middle-income countries. In this regards, we agree to strengthen support for the implementation of relevant strategies and programmes of action, including the Istanbul Declaration and Programme of Action, the Samoa Pathway, the Vienna Programme of Action for Landlocked Developing Countries, and the New Partnership for Africa’s Development.</p>	<p>developed countries. If this line remains, it would enable a redefinition of global partnership and of the Rio principle of common but differentiated responsibilities (CBDR).</p> <p>The reference to “different national realities and needs” also attempts to remove the distinction between developed and developing countries and subverts CBDR. Therefore, this whole section has to be replaced. A para from the previous FFD approved texts may be useful to put here instead.</p> <p>The reference to LDCs/MICs etc. is too weak for using the word “acknowledge” and does not formulate any commitment. There is broad agreement that countries should no longer be classified on a GDP per capita basis - it would be great if there was explicit mention to other current attempts of classifying countries (such as ECLAC’s Structural Gap Approach to MICs).</p>	<p>challenges facing the middle-income countries for which funding, including ODA, should be made available based on their actual needs and Structural Gaps and not based on an income per capita classification.</p> <p><u>Last sentence:</u> “...In this regards, we agree to strengthen support for the implementation of relevant strategies and programmes of action, including the International Conference on Population and Development Programme of Action, the Istanbul Declaration and Programme of Action, the Samoa Pathway, the Vienna Programme of Action for Landlocked Developing Countries, and the New Partnership for Africa’s Development.”</p>
9	<p>The fundamental responsibility for organizing this global partnership lies with governments. We will be held accountable by future generations for the success of commitments we make today. Our success will also depend on the resources, knowledge and ingenuity of business, civil society, the scientific community, philanthropists and foundations, and other stakeholders. We urge business to embrace our commitment to sustainable development, including by directing private sector assets, technologies and capital towards sustainable investments with a long term perspective, and away from harmful, unsustainable ones. We count on civil society around the world to</p>	<p>This paragraph runs the risk of eroding the human rights duties of states, blurring public-interest organizations and profit-oriented ones into the concept of stakeholders, and conveying a very limiting concept of civil society as being merely focused on “mobilizing public support and awareness”.</p> <p>Rather than simply urging businesses to embrace sustainable development commitments, businesses should be mandated to do so in their operational activities, with access to remedy for those who may be affected adversely by business practices as</p>	<p>First sentence should be reviewed to reaffirm States obligations as duty bearers to right holders as well as States obligations to ensure all actors conform accordingly.</p> <p><u>Third sentence (changes/additions in bold):</u> “Our success will also depend on the resources, knowledge and ingenuity of business, civil society, indigenous peoples and local communities, the scientific community, philanthropists and foundations, and other actors.”</p> <p><u>Fourth sentence:</u> Rather than “urging business to embrace a commitment” States should commit to develop the necessary policies and binding</p>

	<p>mobilize public support and awareness, and for academia and other experts to bring their scientific, economic, and financial expertise to our pursuit of sustainable development. We will work with all partners to ensure a sustainable, equitable and prosperous future for all.</p>	<p>outlined in the Business and Human Rights Guiding Principles.</p> <p>This paragraph should also recognize that civil society plays a broad range of roles in sustainable development from the provision of primary services particularly to those in greatest need, to being catalyst and facilitator of citizens’ engagement action, to generating knowledge for informed and people centred public policies, and promoting democratic accountability, among others.</p> <p>Additionally, it is important to recognize the specific role of indigenous peoples and local communities as holders of traditional knowledge and wisdom that can play an essential role in sustainable development strategies and transformational change.</p>	<p>regulations to ensure alignment of business practices with HR obligations.</p> <p><u>Last sentence</u>: The paragraph should also recognize that civil society, indigenous people and local communities plays a broad range of roles in sustainable development, far beyond the “mobilization of public support and awareness”.</p>
<p>Mobilizing the means to implement the post-2015 development agenda</p>			
<p>The section is eroding the FfD mandate and confusing the interlinked but still different scopes of the FfD and Post 2015 MOI agendas. Furthermore, this section is largely focused on private sector financing, as far as profitable investments are concerned, as well as philanthropy. CSO mentions are limiting and instrumental.</p>			
<p>10</p>	<p>The post-2015 agenda is ambitious and demands an ambitious response. Achieving the SDGs will require a comprehensive and holistic approach, integrating the economic, social and environmental dimensions of sustainable development, and combining different modalities and instruments, as detailed in the subsequent chapters of this Accord. (only first two sentences)</p>		<p>Suggested language:</p> <p>“(…) as detailed in the subsequent chapters of this Accord. [Add]: National Councils, open to Civil Society representatives appointed by Civil Society Organisations, should help build up this approach.”</p>
<p>11</p>	<p>Ensuring productive and healthy lives, delivering equitable education, reducing inequality, ensuring access to water, sanitation and sustainable energy,</p>	<p>First of all, the definition of a new social contract is beyond the mandate of the FfD. Secondly, the notion that States are committing to a “new basic</p>	<p>Suggested language:</p>

<p>and finishing the unfinished business of the Millennium Development Goals (MDGs) – will rely primarily on domestic public resources, supported by international cooperation and partnerships. We commit to a new basic social compact to guarantee nationally appropriate minimum levels of social protection and essential public services for all. We recognize that this entails significant additional investments, such as for strengthening country health and social protection systems and delivering education to all our children, including those in fragile and conflict affected states. We agree to explore the most effective, efficient and coherent funding modalities to do this, including the possibility of global funds, building on the experiences of existing mechanisms and based on country-led experiences. We commit to significant international support for this initiative and we call for philanthropists, foundations and the business sector to join us in these efforts.</p>	<p>social compact” obscures the fact that they are already under an obligation to fulfil the human right to social security enshrined in the Universal Declaration on Human Rights and ICESCR, and that States have committed to “comprehensive systems of social protection that provide universal access to social services” in the past (e.g. the outcome document of the High-Level Plenary Meeting of the GA on the MDGs, Keeping the Promise (2010) (para. 70(g) and para 12 of the Doha Declaration on FfD).</p> <p>The key question is whether developing countries have the national resources to implement these provisions. It is therefore crucial to include in this paragraph explicit reference to international support for developing countries as part of the means of implementation and global partnership. Since this paragraph also includes energy, developed countries are reminded that they have committed to providing “new and additional” resources for biodiversity and climate change.</p> <p>Furthermore, we voice the increasing concern with private foundation funding distorting public priorities in intergovernmental process, UN fora and UN-related organizations, whose core funding have been unduly restricted for at least two decades. We have equal concern for the centralization, conditionality and increased overheads generated by “global funds”. Furthermore, there is not link on how these initiatives might substitute and reduce government’s commitments to implement comprehensive agendas already agreed.</p>	<p><u>First sentence:</u> The language of “reducing inequality” is not ambitious enough and thus “overcoming the current extent of inequality” is suggested.</p> <p><u>Second sentence:</u> “We reaffirm our obligation and commit to guarantee comprehensive and universal social protection systems and measures, including floors, and essential quality public services for all.”</p> <p><u>Third sentence:</u> “We recognize that developing countries that do not have adequate national financial resources will require international support to implement these social development programmes, and we commit to mobilise and provide the additional investment and means of implementation as part of the global partnership for development.”</p> <p>A reference to the needs and rights of indigenous peoples could be added in the middle of the paragraph.</p> <p><u>Fourth sentence:</u> The reference to “global funds” should be deleted.</p> <p><u>Last sentence:</u> Instead of support by non-state actors (last sentence), the focus should be on partnerships.</p>
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		<p>Moreover, there is a need to include a specific reference to the rights and needs of indigenous peoples, in line with the outcomes of the World Conference on Indigenous Peoples.</p> <p>Lastly, the role of civil society cannot be limited to be simply a supportive one. CSOs are independent development actors in their own right.</p>	
12	<p>Investments in rural development and sustainable agriculture are essential for eliminating hunger, achieving food security and nutrition, creating decent job opportunities, in particular for rural youth and women, and will lead to rich payoffs across the SDGs. Agriculture is primarily financed through private sources, and we encourage increased private investments in accordance with the Committee on World Food Security’s (CFS) Principles for Responsible Investment in Agriculture and Food Systems. At the same time we commit to put in place policies to ensure the sustainability and growth of agriculture. We agree to substantially increase public investment in areas such as rural infrastructure, agricultural research, including tropical agriculture, sustainable food production and food systems, with a particular focus on small scale food producers and on promoting gender equality to attain food security and nutrition for the poorest and most vulnerable. We will further catalyse progress through strengthened policy frameworks to encourage access to markets for farmers, with a particular attention to smallholder and women farmers and a fair multilateral trading system.</p>	<p>We suggest making explicit reference to the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security (VGGT). Officially endorsed by the CFS in May 2012, implementation has been encouraged by the Rio+20 Outcome Document and UNGA. We also suggest making specific reference to the human right to adequate food and nutrition, as contained in para 108 of the Rio+20 Outcome Document.</p> <p>Given the deficiencies in the CFS Principles for Responsible Investment in Agriculture and Food Systems in terms of explicitly recognizing the specific forms of discrimination that women face, the need for agricultural policies to be in line with women’s human rights and gender equality is critical, not only in relation to access to productive resources, but also in agrarian reform and land resettlement schemes (CEDAW, Art14(2)(g)). In addition to gender-sensitive agricultural policies, States must provide the services and infrastructure necessary to redistribute women’s burden of unpaid care work, which fundamentally affect women’s equal participation in productive activities.</p>	<p>Suggested language:</p> <p><u>First sentence (additions in bold):</u> “Investments in sustainable rural development, sustainable agriculture and livestock farming and other sustainable food systems are essential for eliminating hunger, achieving food security and nutrition, creating decent work opportunities, in particular for rural youth and women, and conserving biodiversity, and will lead to rich payoffs across the SDGs.”</p> <p><u>Second sentence (additions in bold):</u> “(...) Agriculture is primarily financed through private sources, and we encourage increased note that all private investments must follow a human rights-based approach to investment and should be in accordance with the Committee on World Food Security’s (CFS) Principles for Responsible Investment in Agriculture and Food Systems and the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security.”</p> <p><u>Third sentence (additions in bold):</u> “At the same time we commit to put in place policies to ensure the sustainability and growth of agriculture and</p>

		<p>While the specific mention of sustainable agriculture is to be supported, the remaining text in the paragraph needs to emphasize that private and public investment in agriculture must specifically target women smallholder farmers. Investments must protect women’s secure access and control over land and natural resources such as water and seeds; broaden public extension service provision; and improve access to markets and affordable financial services.</p> <p>The para also ignores other forms of food production, which are often of particular importance for indigenous peoples and traditional communities: fishing, hunting, pastoralism and gathering of forest foods. Sound ecosystem management, community conservation and the reduction of land conversion are essential to preserve these food systems.</p> <p>There also is a need to include a reference to the reduction of all forms of food waste, which includes protein waste through overconsumption of meat and dairy products.</p> <p>And finally, para 12 gives the impression that most investments in agriculture are private. However, overall more public investments are needed in agriculture, in particular in infrastructure, extension services, and research. In this respect, the second part of para 12 (after “we agree to substantially increase public investments” could be a stand-alone paragraph, in order give the need for more public investments, and creating ownership among governments, the necessary emphasis.</p>	<p>other food production systems, to significantly reduce all forms of food waste, and to strengthen the community management of ecosystems that play a key role in food provision and indigenous peoples. We reaffirm our commitments regarding the right of everyone to have access to safe, sufficient and nutritious food, consistent with the right to adequate food and the fundamental right of everyone to be free from hunger.”</p> <p>It is strongly recommended that all mentions to “decent job” or “decent employment” be changed per “decent work” which is grounded in ILO conventions (see para 12, 42, 48).</p> <p>Insert: we encourage increased “but regulated” private investments...</p> <p>Insert: promoting gender equality “including in in land management and ownership” to attain food security...</p> <p>Insert: the provision of public services and infrastructure necessary to reduce and redistribute women’s unpaid care work burden thus enabling their greater participation in productive activity.</p>
13	We underscore that investing in sustainable infrastructure, inclusive and sustainable	Infrastructural development needs to be closely aligned both to the provision of public goods and	Suggested language:

	<p>industrialization and innovation is a pre-requisite for achieving many of our goals, including our compact for investing in people as well as for sustainable cities. We call for a new initiative to ensure sufficient investment in sustainable and resilient infrastructure, including transport, communication, water and sanitation and energy, in all countries. Working with on-going initiatives, we will identify gaps and constraints, help ensure that projects are environmentally, socially and economically sustainable, share knowledge and experiences, bring together different stakeholders and help mobilize financing from all sources. Infrastructure investment generally entails both public and private investment and sound policy frameworks. National and multilateral development banks (MDBs) play a critical role. We invite all to join us in our endeavour. We agree to ensure domestic and international enabling environments necessary for infrastructure investment.</p>	<p>service and to the advancement of sustainable industrialization, economic diversification and the strengthening of the domestic economy.</p> <p>We also stress that all partnerships with the private sector in the context of the post-2015 development agenda, including those related to infrastructural development - should be governed for accountability through ex-ante assessments and independent, third-party evaluations that are in accordance with the three dimensions of sustainable development.</p> <p>Accessibility must be a key criterion in mobilizing the means to implement the post-2015 development agenda. Accessibility will ensure that access to services and infrastructures is available to all from the start.</p>	<p><u>Add new second sentence:</u> “Inclusive and sustainable industrial development is of critical importance for developing countries in order to promote economic diversification, add value to raw materials, improve economic productivity, develop and use modern and appropriate technologies. We therefore call for adequate space to be provided to developing countries to use policy instruments and implement policies that enable and promote industrialization, including the provision of adequate financing.”</p> <p><u>Following sentence:</u> “We call for a new initiative to ensure sufficient investment in sustainable, accessible and resilient infrastructure, including transport, communication, water and sanitation and energy, in all countries. We invite all to join us in our endeavour. We agree to ensure domestic and international enabling environments necessary for infrastructure investment, including a sound policy, legal and regulatory framework”</p>
14	<p>The business sector will be a critical driver in achieving sustainable development, creating the vast majority of jobs. Public policies must provide the enabling environment, as well as the policy framework and incentives to ensure that private investment is aligned with sustainable development, norms and standards. To realize full and productive employment and decent work for all, including for women and young people, and working with development banks and private actors, we commit to ensuring appropriate and</p>	<p>Paragraph 23 in the Monterrey Consensus recognized that while governments provide the framework for their operation, businesses, for their part, are expected to engage as reliable and consistent partners in the development process. The enabling environment for businesses usually contradicts the SDGs and respect of human rights as well as women’s rights. Instead, it is therefore important to add a mention of the supportive infrastructure, access to finance, legislation, and government support as called by the UN Inter-Agency Task Force on Social and Solidarity</p>	<p>Suggested language:</p> <p>“To realize full and productive employment and decent work for all, including for women, young people and persons with disabilities, and working with (...)”.</p> <p>Change all mention of “decent job” or “decent employment” to “decent work” which is grounded in ILO conventions. (see para 12, 42, 48)</p> <p>Second sentence:</p>

	<p>stable access to credit for micro, small, and medium sized enterprises (MSMEs).</p>	<p>Economy, which anchors the principles of representation and the social impact of business activities as a core principle of business.</p> <p>The role of MSMEs in the paragraph is poorly articulated. MSMEs will be absolutely critical for realizing objectives on decent work for all, however not solely—sound and inclusive agricultural and industrial policy for example, are also important. Overcoming decent work deficits in MSMEs is not simply a matter of access to credit/financing (though adequate resourcing is needed), but also require understanding and compliance with labour legislation, as one example.</p> <p>Furthermore, the paragraph lacks reference to people with disabilities. In addition to the obvious discrimination and human rights violation, failure to employ people with disabilities costs money: a 2009 ILO study estimated that the cost of excluding persons with disabilities from the labour force was 1-7% of GDP in 10 LMICs.</p>	<p>To We commit to realize full and productive employment and decent work for all, including for women and young people, <u>through gender-responsive policies and programmes that ensure equal pay for equal work or work of equal value, promote collective bargaining, full and equal access to and control over assets and other productive resources, address the gendered division of labour, prevent discrimination against women in the workplace, guarantee access to remedy support the reconciliation of paid work with family/care responsibilities for both women and men, with particular attention to women domestic workers, who are entitled to the same basic rights as other workers, including protection from violence and abuse, fair terms of employment, and a safe and healthy working environment.</u></p> <p>(From Para 42 z and aa of CSW 58 Agreed Conclusions.)</p>
15	<p>In all of our actions we need to be mindful of the impact on our planet. We will implement environmental, social and governance (ESG) reporting frameworks for the private sector to contribute to transparency and accountability. We commit to coherent policy, financing, trade and technology frameworks for protecting our ocean and terrestrial ecosystems, preserving biodiversity and fighting climate change. Governments,</p>	<p>Sustainable consumption and production patterns start with a woman’s ability to control the number and children in the family, ensuring that needs do not exceed available financial, environmental and other resources.</p> <p>Universal access to RH supplies – and enabling information services and supplies in the costed ICPD PoA – is at the heart of this critical enabling factor.</p>	<p>Language addition:</p> <p>“We agree that reproductive health and family planning supplies are essential to sustainable consumption and production patterns and we re-commit to fully funding the ICPD Programme of Action.”</p>

	<p>businesses and households will all need to change behaviours to create sustainable consumption and production patterns. We commit to regulate harmful activities and incentivise behavioural changes. Public and private investments on scale in infrastructure, innovations and clean technologies will be needed. At the same time, new technologies will not substitute for efforts to reduce waste or efficiently use natural resources.</p>	<p>In order for women to have full and equal labour market participation, they must be able to control the timing and number of their pregnancies, which requires the fulfilment of reproductive rights as well as universal access to reproductive health and modern methods of family planning.</p>	
<p>II. Addis Ababa Action Agenda</p> <p>A. Domestic public finance</p> <p>The above title is a change in the main titles of the “leading actions” from the Monterrey Consensus, in which the first heading of the leading actions is domestic resource mobilization (DRM). Using “Domestic public finance” as a title creates an obstacle for the intention to fulfil the first task listed in Paragraph 2 above: “to follow-up on commitments made in Monterrey and Doha.” From a legal point of view, such a review becomes methodologically difficult without following the initial structure of what is to be reviewed.</p> <p>The first paragraph of this section begins with words “domestic resource mobilization” (DRM). The commonly used definition of DRM includes private sector investment. By using this heading, the FfD outcome ignores the broader accepted meaning of DRM. The original Monterrey chapter designation should be restored: “Mobilizing domestic financial resources for development” which includes the financial mobilization of domestic enterprises.</p> <p>It is also essential to highlight that developing countries capacity to advance the domestic resource mobilization is closely connected with the advancement of economic transformation, in terms of shifting the economic centre of gravity in favour of the domestic economy through advancement in industrialization, value addition, and horizontal and vertical integration of the various sectors of the economy. This means that the agenda for advancing domestic resource mobilization is directly dependent on removing the structural impediments to economic transformation, including the necessary policy space to protect and strengthen the domestic economic against powerful and hegemonic economic forces. Failing to do so would limit the DRM agenda to the expansion of the tax base with increasingly regressive policies that target the poor much more than privilege.</p>			
17	<p>Domestic resource mobilization and effective use is the crux of our common pursuit of sustainable development. We remain committed to strengthen the mobilization and effective use of domestic resources in support of national sustainable development strategies. Domestic public finance is</p>	<p>The mention of “public goods and promote equity” and “counter-cyclical fiscal policies” is positive and needs to be vigorously maintained in order to avoid transferring the costs of financial crises and recessions onto women and people living in</p>	<p>Suggested language:</p> <p>It would be appropriate to add a reference to the elimination of perverse incentives, which is agreed text from the Aichi targets of the almost universally ratified Convention on Biodiversity.</p>

	<p>necessary to provide public goods and promote equity. Sound economic policies, including counter-cyclical fiscal policies, democratic institutions responsive to the needs of the people, and sustainable infrastructure are the basis of equitable growth, poverty eradication and employment creation.</p>	<p>poverty. It would be appropriate to explicitly refer to “respect, protect and fulfil human rights.”</p> <p>Reference to infrastructure should always be accompanied by “accessible” to respect, protect and fulfil the rights of persons with disabilities</p>	<p><u>Fourth sentence:</u> “(...) and accessible sustainable infrastructure (...)”</p>
<p>18</p>	<p>We recognize that domestic resources are first and foremost generated by sustained economic growth. Effective fiscal policy depends on good governance at all levels and an enabling domestic environment. In this regard, we agree to strengthen our domestic governance and institutions, and to further combat corruption at all levels. We also agree to incorporate sustainable development, and promote equity, including gender equality, as an objective in all tax and revenue policies, including incentives we give to domestic and foreign investors, and tax treaties and agreements.</p>	<p>This paragraph is strange in that it ranges from corruption to equity. It is important to maintain the focus on promoting equity, including gender equality. It is also very important to maintain and strengthen the references to tax and revenue policies. Finally, it cannot be assumed that growth automatically generates domestic resources. Due to tax evasion, avoidance and other illicit financial flows, growth can lead to net loss of resources unless the appropriate public revenue systems and policies are in place at domestic and international level.</p>	<p>Suggested language:</p> <p>In its current formulation, the first sentence should either be deleted or substantially revised, as it cannot be assumed that growth automatically generates domestic resource given that many other factors are at stake.</p> <p>The last sentence of this paragraph is a good start to provide overall framing and would benefit from being specified into its own paragraph, but also from stronger formulation on inequality, gender and sustainable development, committing countries to put these issues at the centre:</p> <p>“We also agree to incorporate sustainable development, the elimination of extreme inequality, and promote equity, including gender equality, as and objective in all tax and revenue policies, including incentives provided to domestic and foreign investors, and tax treaties and agreements. We commit to regularly develop and publish distributional impact analysis of tax policies, and to minimise regressive effects. States must review structures, codes and instruments for explicit and implicit gender bias and ensure they do not reinforce existing gender inequalities, including</p>

			through the impact on unpaid care work (A/HRC/26/28, 2014, p.20)".
19	<p>While many countries have made considerable progress in strengthening fiscal management since the Monterrey Consensus, we recognize that significant additional public resources will be necessary to realize sustainable development and achieve the SDGs. Towards that end we are committed to bolstering government revenues as needed while improving the efficiency of our expenditures. Countries with government revenue below 20 per cent of GDP agree to progressively increase tax revenues, with the aim of halving the gap towards 20 per cent by 2025, and countries with government revenue above 20 per cent of GDP agree to raise tax revenues as appropriate. Globally, we commit to support countries that need assistance, including through substantially increasing ODA and technical assistance for tax and fiscal management capacity, particularly to LDCs.</p>	<p>Targets on tax revenue are too prescriptive and, unless they are combined with specific considerations on equity and sustainable development, should be removed. They impose an obligation on developing countries since most developed countries already have high tax to GNP ratios.</p> <p>Without due considerations to equity, equality and progressive taxation, taxes can increase inequalities. Thus, this paragraph contradicts the prior paragraph 18. From an equity/equality and human rights perspective, the tax base should be expanded in a progressive manner, which implies reforms in tax structures to shift the burden to progressive direct taxes, such as income taxes, wealth taxes and corporate taxes, and to avoid gender bias in tax structures. A target is therefore needed for progressive taxation and national assessment of resource needs to meet the SDGs. Moreover, additional public resources will be necessary not only to “achieve SDG” but also to fully implement Beijing, Cairo, and other Internationally Agreed Development Goals that are also government’s commitments.</p> <p>Also, the need to ensure that efforts to increase domestic resource mobilization do not undermine existing resource flows, such as tax policies, regulations and laws that render essential health information, services and supplies – including those</p>	<p>Suggested language:</p> <p>Delete references to tax revenue targets</p> <p><u>Addition of new sentence:</u> “Progressivity in tax systems, effective international tax cooperation and increased developing country space to tax at the source of income for enterprises operating in more than one tax jurisdiction are critical in making sure that public sector resources increase as a share and along with the increase in the size of the domestic economy.”</p> <p>“(…) and efforts should be made to increase transparency, enhance information sharing, and improve reporting-of international assistance for tax and fiscal management, since impacts of such ODA are currently difficult to monitor and evaluate.”</p> <p><u>Language suggestions:</u></p> <p>Para 19. While many countries have made considerable progress in strengthening fiscal management since the Monterrey Consensus, we recognize that significant additional public resources will be necessary to realize sustainable development, and achieve the SDGs <u>and accelerate full and effective implementation of internationally agreed development agendas, including the Beijing Platform for Action, the Cairo Programme of Action, and the Copenhagen Programme of Action on Social Development. Increased developing country space to improve tax policies, including taxing multinational corporation at the source of income</u></p>

		<p>identified in the ICPD Programme of Action – tax-exempt and/or tax-deductible.</p> <p>Meanwhile, domestic efforts will not succeed without supporting international efforts, such as combating systematic tax evasion, tax avoidance and other illicit outflows, the use of tax havens and measures taken routinely by transnational corporations such as transfer mispricing, base erosion and profit shifting and double non-taxation. Furthermore, States have the obligation to allocate the maximum of its available resources to realizing human rights. Commitments to allocate at least 0,7% rich-countries' gross national product to Official Development Assistance are to be fulfilled.</p>	<p><u>when they operate in more than one tax jurisdictions, is critical.</u> Towards that end we are committed to bolstering government revenues <u>in a progressive way, removing the gender bias</u> as needed while improving the <u>efficiency—quantity, quality and equity impact</u> of our expenditures. Countries with government revenue below 20 per cent of GDP agree to progressively increase tax revenues, with the aim of halving the gap towards 20 per cent by 2025, and countries with government revenue above 20 per cent of GDP agree to raise tax revenues as appropriate. Globally, we commit to support countries that need assistance, including through substantially increasing ODA and technical assistance for tax and fiscal management capacity, particularly to Least Developed Countries (LDCs), and the poorest and most in need living in Middle Income Countries (MICs).</p>
20	<p>To this end, and while recognizing that optimal tax policy is necessarily reflective of a country's economic and social situation, we will work to improve the fairness and effectiveness of our tax systems. Our efforts will include broadening the tax base and continuing efforts to integrate the informal sector into the formal economy as appropriate and in line with country circumstances, while ensuring progressive tax systems. We further agree to strengthen our tax administrations, including through training, digitalization and increasing efficiencies.</p>	<p>This paragraph seems to overlook the fact that a large number of multinational corporations and wealthy individuals have been avoiding and evading taxation, but instead focusing solely on the need to increase the tax base through the formalization of the informal sector, where women and youth are over-represented. On the contrary, it is important to promote progressive taxation systems. It is essential to recognize this in order to ensure that steps towards formalizing the informal sector must not affect people living in in poverty, particularly women, or increase inequality, but rather focus on limiting large cash operations. In current form paragraph 20 also thus contradicts Paragraph 18.</p>	<p>Suggested language:</p> <p><u>Second sentence:</u> “Our efforts will include broadening of the tax base, and in particular aim to ensure fair taxation of multinational corporations and wealthy individuals in line with the country circumstances, while ensuring progressive tax systems”</p>

<p>21</p>	<p>We agree to strengthen national regulation and international cooperation to combat illicit financial flows (IFF), tax evasion and corruption, with the aim to substantially reduce such flows over the next 15 years, and agree to work to progressively reduce opportunities for tax evasion, as well as tax avoidance. We will increase transparency, including by ensuring that all payments to governments from large companies are fully transparent.</p>	<p>The paragraph 21 introducing IFFs issues in FFD framework, as a logical result of the central part that issue has taken in FfD negotiations so far, still misses the opportunity to face such a tremendous challenge.</p> <p>First, when referring to IFFs basic components, tax avoidance cannot be dismissed: numerous studies, including UNCTAD and FTC figures, confirm the common ground underlined in the Element Paper : modern illicit financial flows patterns convey three sources of cross borders transfers that attribute to tax avoidance from trade activities - in particular mispricing strategies – a preponderant role. This means the later discrete mention in the paragraph of ‘tax avoidance’, as a gall of ‘tax evasion’, is not appropriate and this should be fixed.</p> <p>These basic components of IFFs must be clearly mentioned all together, and this should be done in coherency with the paragraph 27 addressing the need for an IFFs definition that is to confirm the diagnostic about IFFs role in modern globalized economy. Anyhow, the concept of tax avoidance that Addis Ababa will introduce into FFD process need to be précised, and this could be done either in the paragraph 21 or 27.</p>	<p>Suggested language (note deletions and additions in bold):</p> <p>“We agree to strengthen national regulation and international cooperation to combat illicit financial flows (IFF), tax evasion, tax avoidance and corruption, with the aim to eliminate substantially reduce by 50% such flows over the next 15 years, and agree to work to progressively reduce opportunities for tax evasion, as well as tax avoidance. We will increase transparency, including by ensuring that all payments to governments from large companies are fully transparent.</p>
<p>22</p>	<p>The full and equal participation of women in the formal labour market would significantly increase not just opportunities for women, but their contributions to domestic revenue and economic growth. Countries should promote social infrastructure and policies that enable women’s full</p>	<p>The instrumentalization of women’s economic and social rights is a recurring theme in this zero draft, and should be duly avoided. The language here frames women as the source of taxes, while paying little attention to direct tax resources from profitable economic and industrial sectors. The recommendation to promote social infrastructure</p>	<p>Suggested language:</p> <p><u>First sentence</u>: “The full and equal participation of women, including women with disabilities, in the formal labour market would significantly increase (...)”</p>

	<p>participation in the economy and in the labour force.</p>	<p>and policies that enable women’s full participation in the economy and in the labour force should thus be detached from the previous sentence.</p> <p>Finally, in line with “leaving no one behind” women with disabilities should be explicitly mentioned. There are 500 million women with disabilities in the world, of whom 80% are in the global south. They face many barriers to their full participation and for this reason it is very important to mention them explicitly.</p>	<p><u>Replace second sentence with:</u> “Strong action-oriented measures on guaranteeing universal access to quality social services including care services that reduce and redistribute unpaid care work, and the elimination of gender-based discriminations in all its forms, including in the labour and financial markets, as well as, inter alia, full access to and control over natural and productive resources.. Progressive taxation and fiscal systems should be recognized as a tool to achieve gender equality.”</p> <p><u>Add new third sentence:</u> “We agree that universal access to reproductive health supplies and modern methods of family planning are essential to enabling women’s full participation in the economy and in the labour force and we agree to fully funding the ICPD Programme of Action.”</p>
24	<p>We also recognize that environmental crimes, especially illegal logging and illegal fishing, are a challenge for many countries and create substantial damage, including lost revenue. Developed countries commit to provide increased financial resources and technical assistance to support the efforts of developing countries, including addressing poaching and illegal trade in wildlife, and supporting the development of sustainable, alternative livelihoods for affected communities.</p>	<p>While laudable, it is important for efforts to combat illegal logging, fishing and poaching to respect human rights.</p>	<p>Add reference to need to respect human rights.</p>
25	<p>We recognize that there are limits to how much governments can individually increase revenues in our interconnected world. We thus commit to a global campaign to substantially reduce international tax evasion through more concerted international cooperation. We agree to work</p>	<p>This is an important paragraph to keep, in particular the elements of public country by country reporting, public beneficial ownership registries and multilateral automatic information exchange, these three tools being together key in the fight against illicit financial flows from developing countries. It is</p>	<p>Suggested language (replace para with the following text):</p> <p>“We recognize that there are limits to how much governments can individually increase revenues in our interconnected world. In addition to providing</p>

	<p>together to strengthen transparency and adopt pending policy innovations, including: public country-by-country reporting by multinational enterprises; public beneficial ownership registries; and multilateral, automatic exchange of tax information, with assistance to developing countries, especially the poorest, as needed to upgrade their capacity to participate. We agree to work through relevant fora to end harmful tax competition. We call on competing countries to engage in voluntary discussions on tax incentives in regional and international fora, which can also stimulate cooperation to stem illicit financial flows.</p>	<p>not only the tax evasion that is the problem, but even more tax avoidance as the recent Mbeki panel report confirmed among others. Nevertheless, it should be made clear from the beginning that while assistance to developing countries is needed and must be further developed, only a political will reflected in specific provision for low capacities countries will ensure these really benefit from on-going progressive reforms. Furthermore, the second element must be precised and the third element completed.</p> <p>On automatic information exchange, the provision is not appropriate since it only relies on cooperation that cannot be sufficient to enable low capacity countries to participate into current information exchange framework. For them to reap the benefit of tax transparency, political decisions on specific mechanisms are required, in particular non-reciprocal exchange on a temporary basis, as well as objective and transparent criterion to regulate bilateral opt-out mechanisms for original participants, including secrecy jurisdictions.</p> <p>Also needed is a concrete targets on outcomes of the cooperation, rather than general declarations since there is effort in this areas but usually excludes developing countries – an issue that this process should help to address.</p>	<p>assistance to developing countries, especially the poorest, as needed to upgrade their capacity to participate in global reform, we commit to a global campaign to substantially reduce international tax evasion and tax avoidance through more concerted-renewed multilateral international cooperation. We agree to work together to strengthen transparency and adopt pending policy innovations, including: public country-by-country reporting by multinational enterprises; public beneficial ownership and controlling registries of companies, trust and foundations; and multilateral, automatic exchange of tax information, that provides with the specific mechanisms enabling developing countries to immediately reap the benefits of tax transparency, in particular through non-reciprocal exchange on a temporary basis for low capacity countries. We agree to work through relevant fora, including the United Nations, to end harmful tax competition.”</p>
26	<p>In this context, while we welcome ongoing efforts, including the work of the Global Forum on Transparency and Exchange of Information for Tax Purposes, we stress that efforts in international tax cooperation should be universal in approach and</p>	<p>The Global Forum on Transparency and Exchange of Information for Tax Purposes is an OECD-led and housed project, where country participation is by invitation. The problem with an OECD-led effort is that it (1) it is unable to address the sharp</p>	<p>It is essential to ensure consistency between para 26 and 28 in order to have a unified formulation for the intergovernmental committee on tax matters</p> <p>Suggested language for para 26:</p>

	<p>scope and should fully take into account the differentiated needs and capacities of all countries, including LDCs and SIDS. We commit to strengthen efforts to develop global norms on taxation, taking into account the work of the Organisation of Economic Cooperation and Development (OECD) for the Group of 20 on Base Erosion and Profit Shifting, and we call for more inclusive deliberations to ensure that these efforts benefit all countries, including LDCs and SIDS, as well as a more inclusive governance structure to reflect its global impact. We welcome the efforts of the International Monetary Fund (IMF), including on tax spill-overs and capacity building.</p>	<p>difference in interests between residence-based and source-based taxation of corporations that operate among various jurisdictions and thus, in reality, does not promote a principle of paying taxes where economic value is added (2) its standards for accounting for transfer pricing, based on the ‘arms length’ principle are unworkable and overly complicated for tax authorities in developing countries to monitor and enforce.</p> <p>For the sake of universality and differentiated responsibilities, the participation – on an equal footing - of developing countries must be ensured and this is only possible in the UN. The UN should be the intergovernmental space to agree on measures such as country-by-country reporting standards for all transnational corporations, automatic exchange of information, and to review tax incentives and structures in compliance with human rights obligations, gender equality and environmental standards.</p>	<p>“We recognize that supporting capacity building in developing countries to upgrade administration within the existing framework is insufficient for transformative change in the context of corporate activities in multiple jurisdictions. In this context, while we welcome ongoing efforts, we stress that efforts in international tax cooperation should be universal in approach and scope and should fully take into account the differentiated needs and capacities of all countries, including LDCs and SIDS. We therefore commit to the establishment of an intergovernmental body on tax matters under the auspice of the UN and provide it with a mandate and ample resources to reform international corporate taxation, including the prevention of tax evasion and avoidance, and ensure global tax cooperation between governments. Furthermore, we will explore the possibility to start negotiations on an UN Tax convention.”</p>
28	<p>We welcome the work of the United Nations Committee of Experts on International Cooperation in Tax Matters, including on double taxation treaties, transfer pricing, exchange of information, the taxation of extractive industries and capacity building. We decide to upgrade the Committee to an intergovernmental committee, to complement the work of other ongoing initiatives and further enhance the voice and participation of developing countries in norm setting for international tax cooperation.</p>	<p>While we appreciate that the FfD Zero Draft recommend to upgrade UN Tax Expert Committee to an intergovernmental committee, we see some potential problems with the wording of this paragraph.</p> <ol style="list-style-type: none"> 1) This paragraph might in reality be suggesting that an intergovernmental body should not be established before the mandate of the current committee has expired in 2017. 2) “Upgrading” might exclude opportunities to increase the funding available for the 	<p>Suggested language for para 28:</p> <p>“We recognize that supporting capacity building in developing countries to upgrade tax administration within the existing framework is necessary but insufficient for transformative change in the context of corporate activities in multiple jurisdictions. We decide to establish an intergovernmental body on tax matters under the auspice of the UN that will lead the international norm setting and provide for a relevant forum to promote international tax cooperation. For this matter, an intergovernmental tax commission under ECOSOC should be provided with an appropriate mandate dealing with</p>

		<p>committee’s work, which is currently extremely limited.</p> <p>3) “Upgrading” might exclude the possibility of expanding the membership of the committee, which currently only includes 25 countries.</p> <p>Therefore, we would like to further strengthen this commitment into the full establishment of a well-resourced intergovernmental body on tax under the auspices of the UN.</p>	<p>international tax issues in globalized economy, and with the necessary resources to ensure the significant technical and administrative support needed, as well as providing it with gender expertise.”</p>
27	<p>We welcome the Report of the High Level Panel on Illicit Financial Flows (IFFs) from Africa. We urge governments to take into consideration the recommendations of the report and invite other regions to carry out similar exercises building on this initiative. To help track illicit flows, we invite the United Nations, the IMF, the World Bank and other relevant stakeholders, to develop a proposal for an official definition of IFFs, and to publish official estimates of their volume and breakdown. We commit to developing the capacity to track 'to whom, from whom' information on cross-border transactions, bearing in mind that the poorest and most vulnerable countries will need assistance. (...)</p>	<p>The invitation to set up an official definition of IFFs provided by this paragraph should explicitly include - within the “relevant stakeholders” invited to work on such challenging definition - civil society organizations that have greatly contributed for a decade to uncover IFFs tremendous role in economy and development issues, and keep challenging the official debates with thoughtful inputs and credible methodologies.</p>	<p>Suggested language (additions in bold):</p> <p>“We welcome the Report of the High Level Panel on Illicit Financial Flows (IFFs) from Africa. We urge governments to take into consideration the recommendations of the report and invite other regions to carry out similar exercises building on this initiative. To help track illicit flows, we invite the United Nations, the IMF, the World Bank and other relevant stakeholders including civil society organizations, to develop a proposal for an official definition of IFFs, and to publish official estimates of their volume and breakdown. Bearing in mind that the poorest and most vulnerable countries will need assistance, including setting up national, cross-departmental coordination task forces on IFFs to build joint capacity, we commit to developing the capacity to track 'to whom, from whom' information on cross-border transactions, and ensure recollection – and public release- of country-level foreign deposit by the Bank for International Settlements. (...)”</p>
30	<p>Our financing policies, both domestic and international, will be guided by the need to achieve</p>	<p>Accessibility, including in public procurement, must be a key criterion in the mobilization and execution</p>	<p>Suggested language :</p>

	<p>sustainable development, as an integral part of our national sustainable development strategies. We will spend our resources efficiently and effectively, and ensure that our national policies are in line with good governance, accountability and gender-sensitive public financial management, and promote equity. We will increase transparency and participation in all aspects of the budgeting process, and encourage those who have not yet done so to join the Open Government Partnership. We further agree on the need for transparent public procurement that reinforces sustainable development.</p>	<p>of domestic and international resources, including ICT, infrastructure, services, etc. Accessibility will ensure that access to services and infrastructures is available to all from the start. “Spend accessibly now, save money and benefit everyone”.</p> <p>Suggested language: We further agree on the need for transparent public procurement, that should prioritize small producers and small and medium enterprises, that reinforces sustainable development, including accessibility.</p>	<p>Second sentence (addition at the end): “(...) and overall promote, protect and fulfil all people’s human rights”.</p> <p><u>Third sentence (replace the last part of the sentence:</u> “(...) and we will join the Open Government Partnership and the Global Initiative for Fiscal Transparency.”</p> <p><u>Forth sentence (replace with the following text):</u> “We will publish at least five budget documents including detailed breakdowns of expenditure allocated and spent at all levels of government towards each of the SDGs. The budget documents include the Pre-Budget Statement, the Executive’s Budget Proposal, the Enacted Budget, In-Year Report, Mid-Year Review, Year-End Report, Audit Report and Citizens Budget. We will ensure mechanisms for public participation at all stages of the budget process, such as public hearings at the enactment and evaluation of the budget.”</p> <p><u>Second sentence (replace with the following text):</u> We will increase transparency and participation in all aspects of the budgeting process, including by developing gender responsive budgets, and encourage those who have not yet done so to join the Open Government Partnership.</p>
31	<p>As the basis of a new basic social compact to invest in people, we will guarantee access to essential health care and education for all persons, and support implementation of nationally appropriate social protection systems and measures for all, including floors, with a special focus on those</p>	<p>As per comment to para 11, the language of this “new basic social compact” obscures the fact that they are already under an obligation to fulfil the human right to social security enshrined in the Universal Declaration on Human Rights and ICESCR, and that States have committed to “comprehensive</p>	<p>Suggested language:</p> <p><u>First sentence:</u> Delete “As the basis of a new basic social compact to invest in people” and replace with “We reaffirm our obligation to provide comprehensive systems of social protection and essential public services for all, including floors, with</p>

	<p>furthest below the poverty line, including children, persons with disabilities, youth and older persons, as provided for in the International Labour Organization’s (ILO) Recommendation 202. In addition, we underscore that human development remains a key priority. The realization of full and productive employment and decent work for all is essential. We will continue to invest in human capital, including in the untapped potential of women’s human capital through inclusive social policies, including on health and education, in accordance with national strategies.</p>	<p>systems of social protection that provide universal access to social services” in the past (see, e.g. the outcome document of the High-Level Plenary Meeting of the GA on the MDGs, Keeping the Promise (2010) (para. 70(g), including para 12 of the Doha Declaration on FfD.</p> <p>We reiterate to focus on women’s and all people’s human rights, and avoid the language used of “...invest in human capital, including in the untapped potential of women’s human capital”. And the need to ensure efforts to increase public spending do not undermine existing resource flows, such as tax policies, regulations and laws that render essential health information, services and supplies – including those identified in the ICPD Programme of Action – tax-exempt and/or tax-deductible.</p>	<p>a special focus on those furthest below the poverty line, including women and girls, children, persons with disabilities, youth and older persons, as provided in the International Labour Organisation's (ILO) Recommendation 202. The poorest 20% in every population will be taken as a benchmark, in order to make sure that no-one is left behind.”</p> <p>Two last sentences: “The realization of full and productive employment and decent work for all is essential. We will continue to invest in respecting, protecting and fulfilling human rights for all capital, including in the untapped potential of women’s human rights to work and rights at work capital, through inclusive and equitable social policies, including on health and education, in accordance with national strategies, ILO decent work standards and conventions, and the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), the Beijing Platform for Action, and the Program of Action of the International Conference on Population and Development.”</p>
32	<p>In this regard, we agree to increase public spending to secure adequate investments to ensure universal access to basic social infrastructure and inclusive social services, such as health and education. Available data indicates that in general, countries need to spend a minimum of \$[300] per person in purchasing power parity terms or 10 per cent of GDP, whichever is higher, to provide essential public services. We agree to make every effort to meet this minimum benchmark for all communities by no later than 2025. We agree to complement</p>	<p>Many developing countries, particularly within LDCs, may not have the financial resources to fund social development programmes to the extent mentioned here. The inclusion of the benchmark to be met by 2025 is a real challenge for many countries. Adding the suggested sentence to provide means of implementation to developing countries is crucial.</p>	<p>Suggested language:</p> <p>“We recognize that the developing countries that do not have adequate national financial resources will require international support to implement these social development programmes, and we commit to mobilise and provide the additional means of implementation as part of the global partnership for development.”</p> <p>The language “every woman, every child and every family” is not inclusive enough. It is also noted that</p>

	national efforts with international support, particularly to LDCs and other vulnerable countries, to ensure that by 2030, every woman, every child and every family has access to a minimum package of essential services.		the concept of the family is a contested one and thus recommend to use instead: "... ensure that by 2030 all people, irrespective of race, gender, age, sexual orientation, class or disability has access to a minimum package of essential services".
33	We will work to gradually eliminate harmful subsidies, where they exist, including fossil fuel subsidies for production and consumption, minimizing possible adverse impacts in a manner that protects poor and disadvantaged communities.	The word "gradually" does not need to be used here, though the explicit references to protecting the poor and removing 'harmful' subsidies are appreciated. However, harmful agricultural subsidies have not been mentioned and should be.	Suggested language: Remove the word "gradually", and "include harmful agricultural subsidies" as well.
34	We agree to work towards putting a price on carbon, and to consider taxes that put a floor on fossil fuel prices for consumers. We will also consider the use of natural capital accounting to make more transparent the environmental externalities of our policy decisions.	<p>Policies to put a price on carbon and natural capital accounting are still subject to intense negotiations in other intergovernmental fora, with several countries highlighting they might lead to the privatization of the commons.</p> <p>The mention to have transparency on environmental externalities is welcome. But the reference needs to be stronger and talk about internalising and pricing externalities.</p>	<p>Delete references to putting a price on carbon.</p> <p>Delete natural capital accounting. Natural resource accountability is a different from natural resource accounting.</p> <p>Include reference to ecological tax reform- shifting tax base from value addition to which to that value is added (essentially from labour to extraction).</p>
35	We note with concern the large financing gaps in areas crucial for sustainable development, including infrastructure, agriculture, and innovation, as well as financial inclusion. (only first sentence)	Infrastructure should be accompanied by the accessibility, not only for persons with disabilities, but also given the ongoing aging trend of many societies.	<p>Suggested language:</p> <p>"(..) including accessible infrastructure, (...)"</p>
36	We further acknowledge that in more and more countries, responsibilities for revenues, expenditures and investments in sustainable development are being devolved to the sub-national level and municipalities, which often lack adequate technical capacity, financing and support. We therefore commit to develop mechanisms to	Whist para 36 recognises the risks associated with various shocks – including with economic crises, conflict, natural disasters, disease outbreaks and debt (paras 4 and 90) - and includes references to the need to build resilience to these shocks through a new social compact and nationally-appropriate social protection systems (paras 11 and 31);	<p>Suggested language:</p> <p>"We call on development partners, civil society and private actors to support states and build local capacity for prevention and mitigation of external shocks and risk management"</p>

<p>assist them, including to strengthen capacity, particularly in areas of infrastructure project development, local taxation, sectorial finance and debt issuance and management, including access to domestic bond markets. We will support our cities and local authorities in implementing resilient infrastructure and climate-friendly policies and investments. Reliable support for national and local capacity for prevention and mitigation of external shocks and risk management is needed. We must also ensure appropriate local community participation in decisions affecting their communities, based on country circumstances</p>	<p>investing in ‘resilient infrastructure’ and ‘climate-friendly’ policies (paras 13 and 36); innovation, technology and capacity building (para 103); and building ‘climate and disaster resilience in development assistance’ (para 61) and ‘national health systems’ (para 69) - it lacks specific language on commitments to support states in absorbing shocks and adapting development processes to reduce vulnerability to these shocks.</p>	
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B. Domestic and international private business and finance

By using this heading, the FfD outcome ignores the theoretical meaning of DRM, which relies on domestic enterprises, not just households and government, as a large contributor, probably the largest contributor, to domestic resource mobilization. The previous use of this heading, and the transfer of the domestic private sector role to this section, unduly straitjackets developing country governments from undertaking policies that build their own domestic private sectors. The section should be changed back to the original Monterrey Consensus chapter “Mobilizing international resources for development: foreign direct investment and other private flows” and adjustments made.

Furthermore, we are deeply concerned that the Zero Draft endorses, on the whole, an approach to ‘outsourcing’ government responsibilities for financing for development to the private sector. Aside from the tacit subversion of the global partnership for development, in the absence of clear criteria for private sector accountability in the context of development financing, there is a grave risk that the private sector will undermine rather than contribute to sustainable development. This content on the Zero Draft results from an ongoing and alarming process of corporate capture that has been plaguing the United Nations and has now reached unsustainable levels, up to a point in which governments are openly advocating for the interest of the private sector instead of strengthening states' capacity of fulfilling their citizens' human rights and of regulating private sector operations. This is most openly expressed in the existing asymmetry between the set of binding juridical instruments states have been establishing over the past 40 years to protect and promote the interests of transnational corporations - especially through Free Trade Agreements, Bilateral Investment Treaties and Investor to State Dispute Settlement Mechanisms - on one hand, and the lack of binding instruments to hold corporations accountable for the human rights violations of people.

The focus in the Zero Draft on voluntary corporate social responsibility initiatives (Paras 37, 39, 48) is blind to the legacy of the private sector in development projects. In this sense, it is concerning that the Zero Draft does not make clear reference to the June 2014 Resolution in the Human Rights Council to create an international legally binding instrument on Transnational Corporations and other Business Enterprises with respect to Human Rights (A/HRC/26/L.22).

<p>There needs to be a mandatory process for aligning private sector involvement with locally-determined sustainable development objectives, e.g. strong criteria for eligibility as well as dismissal for the private actor should be put in place when partnerships are promoted (cf. Para. 52). Accessibility, affordability and quality of the services and infrastructure should be guaranteed.</p> <p>At the UN level, there is a need to establish an open, transparent and participatory intergovernmental space for oversight, monitoring and review of any partnership developed in the name of the UN. Such an intergovernmental mechanism must include measures for mutual accountability through ex-ante assessments and independent, third-party evaluations rooted in the existing obligations in all three dimensions of sustainable development and the international human rights framework, particularly the extraterritorial practices of transnational corporations. This accountability mechanism should be developed by the next General Assembly conference.</p>			
37	<p>We acknowledge the role of private business activity, investment and innovation as major drivers of increased productivity, job creation, and economic growth, which provide people with the opportunity to overcome poverty and inequality. We welcome the significant growth in private activity – domestic private savings and investment, foreign direct investment (FDI), remittances from overseas workers and philanthropy – since Monterrey. Monterrey tasked us to continue our efforts to achieve a transparent, stable and predictable investment climate, with proper contract enforcement and respect for property rights, and many countries have made great strides in this area. We commit to continue to promote and create the right enabling conditions for inclusive and sustainable private sector investment. Businesses will play a critical role in our new agenda, and we call on them to engage as partners in the development process. We welcome the growing number of businesses that embrace corporate responsibility and take full account of environmental and social impacts in all their activities, and urge all others to do so. We are encouraged by the growth of impact investing,</p>	<p>Para 37 stresses a reliance on the private sector while not mentioning at all the role of the public sector. It refers to “private business activity,” but there is a need to unpack the term ‘private sector.’ It is impossible to treat the private sector as homogeneous entity, particularly as the private sector refers to domestic private sector and multinational companies. These two big groups present different interests and needs that have to be addressed by national governments. They also present different capacities and limitations when it comes to contributing to sustainable development. These have to be spelled out in this opening para.</p> <p>The need to regulate private corporations is missing. This is contrary to current thinking after the 2008 financial crisis caused by excessive belief in unregulated finance and the consensus now that private financial markets must be strongly regulated. Poorly managed private international capital flows can lead to increased inequality and adverse impact for the poorest and the environment, and increase macroeconomic risks for developing countries.</p>	<p>Suggested language:</p> <p><u>First sentence (replace with the following text):</u>“The private sector is a major actor for creating economic opportunities. It can help foster economic growth, by contributing to job creation, facilitating technology transfer and generating domestic resources. But not all such investment or innovation has an impact on poverty reduction, on reducing growing socio-economic inequalities and on contributing to sustainable development. The private sector is not a homogeneous entity. It includes a wide variety of actors, from large private enterprises whose primary purpose is to maximize profits for shareholders, to millions of individuals who conduct private economic activities to support themselves and their families. The different segments of the private sector deserve a special treatment.”</p> <p>“The private sector could have the potential to contribute to sustainable development, subject to the regulatory power of the State.”</p> <p>“We agree to engage constructively in the development of an international legally binding instrument on Transnational Corporations as</p>

	<p>which combines a return on investment with social and environmental impacts.</p>	<p>Furthermore, the focus in the paragraph is simply on voluntary commitments, which do not go very far, rather mandatory commitments for full sustainable development reporting under UN guidance and for business and human rights standards is urgently needed.</p> <p>Instead of outsourcing the state’s responsibilities on international cooperation to multi-stakeholder partnerships with the private sector, governments have to agree on an international legally binding instrument on Transnational Corporations to monitor their compliance with Human Rights and environmental standards, in line with the resolution A/HRC/26/L.22 approved by the Human Rights Council in 2014.</p>	<p>mandated by the Human Rights Council-approved resolution A/HRC/26/L.22.”</p>
38	<p>Nonetheless, we recognize that business practices need to be more in line with sustainable development objectives. Many people still lack access to financial services, and FDI largely bypasses countries most in need. We acknowledge risks associated with excessive leverage, the short-term nature of many investments, and the importance of the quality of investment. We call on private actors to invest with the long-term horizons necessary for sustainable development, and to apply their creativity and innovation toward solving sustainable development challenges. At the same time, we acknowledge the responsibility of governments to develop regulatory systems to align business incentives with sustainable development</p>	<p>This paragraph recognizes that business practices need to be in line with sustainable development, but does not mention the need for regulations (as well as related compliance and enforcement mechanisms) to bring them in line. This should be clearly stated, in the spirit of the Rio principle on precaution, otherwise FFD3 is a whitewash for unregulated business and work towards full sustainable development reporting is therefore urgently needed as a mandatory measure.</p> <p>It would be good to highlight here that without stronger regulation by governments, it is likely that short-term and volatile international private financial flows will “again” cause the next crisis. The Monterrey Consensus noted that “Measures that mitigate the impact of excessive volatility of short-</p>	<p>Suggested language:</p> <p><u>First sentence (replace with the following text):</u> “We further recognise that regulations and especially full sustainable development reporting according to mandatory UN guidelines are needed to ensure that business activity is in line with sustainable development practices and goals. We also recognise the need for businesses to take account of the potential social, environmental and human rights impacts of their practices and to adhere to the Guiding Principles on Business and Human Rights that were adopted by the Human Rights Council.”</p> <p><u>Current second sentence:</u> “Many people still lack access to financial services, and FDI largely bypasses countries and people most in need.”</p>

		<p>term capital flows are important and must be considered.”</p> <p>Also, the responsibility and accountability of donor countries to ensure their use of public funds, including ODA, contributes to sustainable development outcomes must also be ensured through language.</p> <p>Also, in regard to environmental impact, it needs to be stated clearly that Finance for Development has to respond to a principle of environmentally sound origin and destiny of resources. In this sense, it is necessary to review and modify intellectual property rights and international trade agreements to allow the full development of safe, appropriate, ecologically and socially sound laws and policies that support a transition from a carbon intensive society.</p> <p>It is also important to highlight that FDI bypasses the people most in need as well the countries most in need. Therefore, the text should call for a stronger focus on quality of private sector investments, particularly FDI, rather than quantity. It is not more, but better investments what is needed in countries most in need. There is a risk of promoting an over-dependency on FDI, particularly in commodity based economies, that is not sustainable in the long run or even conducive to sustainable development.</p>	<p>The rest of the para should be drafted according to the comments.</p>
39	<p>We support the many initiatives to formulate and adopt principles for socially and environmentally responsible investment and business activities and</p>	<p>This para perseveres in advancing the logic of “kindly inviting” business to voluntarily apply socially and environmentally responsible principles.</p>	<p>Suggested language:</p> <p><u>Replace the para with the following text:</u> “We commit to establish a process to unify the many</p>

	<p>invite businesses to sign on to and apply these principles. Such principles should also address business’ role in preventing and fighting corruption. We welcome the work by the United Nations Conference on Trade and Development (UNCTAD), the United Nations Environment Programme (UNEP), CFS, the Global Compact, amongst others in this regard. We also recognize that each industry faces its own opportunities and challenges in contributing most constructively to sustainable development. We therefore undertake to work with industry groups, national regulators and international accounting standard-setting bodies to identify industry-level metrics that could frame generally accepted sustainable development accounting principles, consistent with international goals and targets for sustainable development. We will work towards unifying and strengthening the various initiatives on responsible financing, identifying gaps, and strengthening the mechanisms and incentives for compliance.</p>	<p>We reiterate the need of binding regulations that business is obliged to comply with, in order to re-orient the current business model in full consistence with the three pillars of sustainable development.</p>	<p>initiatives to formulate and adopt principles for socially and environmentally responsible investment and business activities and work towards a mandatory UN set of these principles, including the necessary mechanisms of compliance, to be applied to all businesses.”</p> <p><u>In addition, add the following text:</u></p> <p>“We also commit to set up a process under the UN auspices to conduct a comprehensive review of the sustainable development impact of all public funds, either in the form of ODA or guarantees, which are used to leverage private finance. This review should development a set of sustainable development criteria to be applied to public funds and institutions used to leverage private sector investment. This should be based on existing UN principles on business and human rights, environment and development effectiveness.”</p>
40	<p>These initiatives should be complemented by appropriate national regulations, in line with national strategies. We agree to create strong regulatory frameworks on ESG practices, including mandatory integrated reporting for large companies to be adopted by 20xx. To better align business practices with sustainable development, we will adopt regulatory frameworks that foster a dynamic and well-functioning business sector, while protecting labour rights and environmental and health standards in accordance with internationally agreed norms, including the labour standards of the</p>	<p>Development can only be inclusive if the private sector meets all human rights obligations.</p>	<p>Suggested language:</p> <p><u>Third sentence (replace with the following text):</u> “To better align business practices with sustainable development, we will adopt regulatory frameworks that foster a dynamic and well-functioning business sector, while protecting human rights and environmental and health standards in accordance with internationally agreed norms, including the International Bill of Rights and all other international human rights treaties, the labour</p>

	<p>International Labour Organization and key Multilateral Environmental Agreements. We will adopt policies to internalize externalities, such as the “polluter pays principle”, through a combination of taxation, regulation and other measures, in line with national strategies</p>		<p>standards of the International Labour Organization and key Multilateral Environmental Agreements.”</p>
<p>42</p>	<p>Evidence shows that gender equality and women’s full participation as economic agents improves the profitability and competitiveness of business and is vital to achieve sustainable development and a vibrant economy. To this end, we reaffirm our commitment to eliminate gender-based discrimination in all its forms. We commit to ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance. We further encourage the private sector to contribute to advancing gender equality through ensuring women’s full and decent employment, equal pay and equal opportunities.</p>	<p>This paragraph instrumentalizes and commodifies women as agents to improve the profitability and competitiveness of businesses. Rather, women have full human rights on their own accord, and women require enabling conditions to ensure their rights are fulfilled and guaranteed. To support this, stronger language is required to uphold the full realization of women of all ages’ human rights. This necessitates the strengthening of co-responsible measures between the state, the private sector, communities, households and families, men and women, every person independently of their gender identity, to reduce and redistribute unpaid domestic and care work.</p> <p>This is congruent to and strengthens what is stated in the Open Working Group outcome document, target 5.4, which recognizes and values unpaid domestic care work through the provision of public services, infrastructure and social protection policies. Gender inequality also needs to be addressed with differentiated measures towards ensuring the implementation of the provisions stated in the Monterrey Consensus and the Doha Declaration, but also recognizing as a core agenda within the Means of Implementation the promotion</p>	<p>An important point to consider is that there is evidence to show how gender inequality directly improves business profitability and competitiveness. Therefore, this reference to business profits and competition should be removed from Paragraph 42.</p> <p>Further suggested language:</p> <p>“We commit to ensure that all men and women, in particular the poor and the vulnerable, have equal rights and access to economic resources, as well as access to basic social services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance services that do not exacerbate gender inequalities or contribute to the over-indebtedness of women. <u>We recognize that unpaid care work - which is disproportionately performed by women - represents a significant subsidy to the global economy, prevents women’s full economic participation and is a persistent root of gender inequality. We commit to guarantee universal access to adequate care services, and foster the reduction and redistribution of unpaid care work.</u>”</p>

		<p>of direct access to finance for women’s and feminist organizations.</p> <p>The reference to microfinance should also be qualified given evidence that microfinance has contributed to exacerbating gender inequalities, including violence against women; created dangerous levels of indebtedness among poor women, particularly when provided by for-profit financial institutions or intermediaries. Moreover, the provision of microfinance does not absolve governments of their responsibility to provide universal social protection and access to services.</p>	<p>Taking it out of the context as currently framed the sentence “we reaffirm our commitment to eliminate gender-based discrimination in all its forms” is important to keep.</p> <p>Again, also here replace decent employment with decent work.</p> <p>Last sentence</p> <p>We will enforce the private sector compliance with women’s human rights obligations, ILO labor standards to contribute to advancing gender equality through ensuring women’s full and decent employment, including work-life balance initiatives, equal pay for equal work or work of equal value, and equal opportunities, and prevent discrimination against women in the workplace .</p>
43	<p>We commit to ensuring access to formal financial services for all, including the poor, women, rural communities, marginalized communities and persons with disabilities. Acknowledging that the best way to implement financial inclusion varies by country, we will adopt or review our national financial inclusion strategies in consultation with the relevant national stakeholders, and include financial inclusion as a policy target in financial regulation. We will encourage our commercial banking systems to serve all populations. We will support other institutions and channels that offer affordable financial services for all, including microfinance institutions, development banks, mobile network operators, payment platforms,</p>	<p>Small-scale food producers, including women, indigenous people and other disadvantaged groups, very often do not have access to productive resources, including financial services. Therefore, access to micro credit and insurance at fair market prices to protect against crop failures are important means to implement the elements of post 2015 agenda that call for sustainably increasing the productivity of small-scale food producers and improving their income and livelihoods, and to slow down the rural to urban migration by providing decent employment opportunities. In order to improve this access to financial services, additional financial resources, including through innovative mechanisms such as development impact bonds,</p>	<p>Suggested language:</p> <p>First sentence (additions in bold): “We commit to ensuring access to formal financial services for all, including the poor, women, rural communities and small-scale food producers, marginalized communities and persons with disabilities. (...)”</p>

	<p>agent networks, cooperatives, postal banks and savings banks. We encourage the use of innovative tools, including mobile banking and digitalized payments to promote inclusion, while ensuring consumer protection and promoting financial literacy. We commit to increase resources for capacity development and expanding peer learning and experience sharing, including through the Alliance for Financial Inclusion and regional organizations, which should work in close cooperation with initiatives by the World Bank, IMF, the United Nations and academia.</p>	<p>sustainable development funds, etc., must be made available for micro credit institutions, farmers’ cooperatives and small and medium enterprises of the sustainable food system. It is imperative that development funds operate in a transparent and accountable manner. An international financial transaction tax could leverage important additional funds for public investments in sustainable agriculture and food systems.</p>	
44	<p>Remittances from overseas workers are a significant financial resource for households in many countries. To enhance their impact on development, countries should integrate remittances into their national financial inclusion strategies. No remittance corridors should require charges higher than 5 per cent by 2030. In this regard, we welcome the G20 initiative to lower the cost of remittances, as well as efforts by the World Bank in measuring remittances and advising on efforts to reduce remittance transfer costs. We commit to work with relevant partners to lower the cost of remittances, including through ensuring competitive and transparent market conditions, exploiting new technologies and improving data collection, with a view to reducing the charge for a remittance transfer to less than 3 per cent of the amount transferred.</p>	<p>Efforts to enhance the development impact of remittances, if not done on a voluntary basis, violate human rights to one’s earned income. Moreover, remittance-driven development cannot provide for essential public infrastructure and cannot replace governments’ social protection obligations. Lowering the cost of sending remittances should be the only priority as part of wider work on access to equitable financial services.</p> <p>Any discussion of remittances as a development strategy should also be explicitly conditioned on a commitment by governments to fulfil their primary responsibility to prevent exploitation of migrant workers in line with their international human rights commitments. Policies should be designed to both reduce exploitative practices (e.g. through the regulation of recruitment agencies and the elimination of debt bondage) and identify individuals or groups at risk of falling victim to exploitation. See, e.g., UN General Assembly</p>	<p>Language suggestions:</p> <p>After “Remittances from overseas workers are a significant financial resource for households in many countries.” Insert: Recognising the precarious conditions in which many migrant workers, particularly women migrant workers, work, we commit to ending policies and practices that promote their exploitation, including through the regulation of recruitment agencies and the elimination of debt bondage.</p> <p>Delete the sentence: “To enhance their impact on development, countries should integrate remittances into their national financial inclusion strategies.”</p>

		<p>Resolution 66/172, Protection of Migrants, A/RES/66/172, 29 March 2012, paragraph 8; and the ILO’s Private Employment Agencies Convention 1997 (No. 181) which sets out specific provisions to regulate private employment agencies; ILO Domestic Workers Convention (no. 189 (2011)); and ILO Protocol of 2014 to the Forced Labour Convention, 1930.</p> <p>Governments should avoid policies that encourage or incentivize migration in reason of remittances income and should rather focus on improving opportunities and access to decent work at home. Finally, it is critical to recognize and ensure the portability of the social rights of the person. Social protection rights should be related to the person not to the country of residence (portability of pre-existing funds paid, pensions, educational qualifications should be recognized, etc.).</p> <p>The other kind of factor income are royalty payments for access to intellectual property mostly based in developed countries and flowing the other way from developing to developed countries. Maximizing the development impact of this factor income from intellectual property could involve lowering royalty payments from developing countries, or forcing their reinvestment in the countries that are paying royalties.</p>	
47	<p>[...] We are concerned that short-term cross-border capital flows can create excessive volatility, which should be contained through appropriate regulations, in conjunction with capital account management tools, when appropriate. At the</p>	<p>The second-to-last-sentence is a welcome recognition, but for this regulation to be applied efficiently, there must be a review of the barriers to national policy space (i.e. trade and investment agreements and the activities to credit rate</p>	<p>Suggested language: “Obstacles to capital account management and other regulations should be removed, including in trade and investment agreements.”</p>

	international level, we agree to strengthen regional, inter-regional and global fora for knowledge sharing, technical assistance and data collection. (only concerning the last two sentences above)	agencies) to enact regulations such as capital account management tools.	(It makes sense to stress this here and in the chapter on trade).
48	We recognize the important contribution that direct investment, including FDI, can make to sustainable development when investors follow social and environmental standards of good corporate behaviour. We will thus direct our investment promotion and other relevant agencies to focus on project preparation, prioritizing projects aligned with sustainable development, including those with the greatest potential for sustainable industrialization and decent jobs. Internationally, we will support these efforts through financial and technical support, and encourage closer collaboration between home and host country agencies where international flows of investment are involved.	Every origin and destiny of flow of resources should have a zero fossil fuel emissions and no nuclear, so that the FfD is climate change proof.	Suggested language: <u>Second sentence (addition in bold):</u> "We will thus direct our investment promotion and other relevant agencies to focus on project preparation, prioritizing projects aligned with sustainable development, by ensuring a global transition so that every origin and destiny of flow of resources have a zero fossil fuel emissions and no nuclear , and including those with the greatest potential for sustainable industrialization and decent jobs. Internationally, we will support these efforts through financial and technical support, and encourage closer collaboration between home and host country agencies where zero fossil fuel emissions and no nuclear international flows of investment are involved."
50	We note with concern the large gap in financing for resilient infrastructure and energy necessary for sustainable development. We acknowledge that impediments to investment in resilient infrastructure and energy systems exist on both the supply and demand side. On the project side insufficient investment is often partly due to an insufficient enabling environment and an inadequate pipeline of well-prepared investable projects, but also due to affordability constraints. To address this, we agree to imbed resilient	We reiterate the same comments on the “enabling environment for business” that have been previously made on para 14. There should not be an emphasis on scaling up investments in infrastructure, including private investment, without addressing the fact that private investment tends to go to sectors that generate the highest returns and rarely address the needs of people facing structural discrimination, including women and girls, indigenous communities creating	Suggested language: “We note with concern the large gap in financing for resilient infrastructure and energy of the scale and characteristics necessary for sustainable development.” After “affordability constraints” add “and a mismatch between the requirements of such projects and the profit-making motive that animates private financiers.”

	infrastructure and energy investment plans in our national sustainable development strategies. We commit to ensuring the technical support for countries to translate these plans into concrete project pipelines.	pressure on infrastructure users, taxpayers, and the public sector to generate maximum levels of return.	“We recognize that long-term institutional investors manage large pools of capital, but are currently only investing less than 3 per cent of assets in infrastructure in both developed and developing countries. We also recognize that the high risk-adjusted return such investors demand can often not be met by a project without unacceptable degree of risk-shifting to consumers, taxpayers and citizens in the host country.”
51	On the finance side, private sector incentive structures and new regulations designed to reduce risk-taking by banks tend to encourage short-term investment behaviours, which are inappropriate for many long-term projects, as in the area of infrastructure. We recognize that long-term institutional investors manage large pools of capital, but are currently only investing less than 3 per cent of assets in infrastructure in both developed and developing countries. Nonetheless, we are encouraged by recent efforts by some investors to develop new infrastructure platforms and call on investors to continue to build capacity and appropriate platforms for such investment, as well as reviews of compensation structures and performance criteria to incentivize greater long-term investment.		
52	We recognize that blended finance (combining concessional and non-concessional international public finance), pooled financing platforms and public-private partnerships (PPPs) have significant potential to contribute in this area. In particular national and multilateral development banks can be constructive partners, both in terms of financing and skill building. It is also important that careful consideration be given to the appropriate use and structure of pooled financing instruments, including	It must be recognised that leveraging private finance and promoting PPPs entails many risks and is not always the best way to trigger development. It is important to avoid the scenario where the public sector and tax payers bear the main risk. We have to secure that blended finance meet development objectives that they are transparent, accountable and that they are not a waste of scarce ODA resources.	Language suggestions (replace the entire para with the following text): “We recognize that blended finance (combining concessional and non-concessional international public finance), pooled financing platforms and public-private partnerships (PPPs) could have significant potential to contribute in this area. In particular national and multilateral development banks can be constructive partners, both in terms of financing and skill building. It is also important that

<p>of PPPs. Projects should be transparent, share risks and rewards fairly, and be implemented following feasibility studies that demonstrate, inter alia, that they are the most effective way to structure the investment. PPPs should not replace or compromise state responsibilities, nor should they impose unsustainable debt burdens or contingent liabilities on governments.</p>	<p>The UN must not endorse PPPs and private sector engagement overall without robust mutual accountability measures such as assessments and evaluations for genuine development impact that are conducted ex-ante and supported by mandatory sustainable development reporting of all companies under UN Guidance, meaning before the project or partnership is operationalized the cost-benefit including potential environmental or social impact assessments must be conducted. Transparent and regular reporting are also critical, as well as criterion that should be met prior to approval of the PPP or blended finance.</p> <p>Furthermore, strong criteria for eligibility as well as dismissal of the private actor should be put in place when partnerships are promoted in the UN. It should be avoided that PPPs create incentives for public institutions to promote or facilitate private sector interests. Accessibility, affordability and quality of the services and infrastructure should be guaranteed. Moreover, this modality should be aligned with strategic investment policies that deliver on decent work creation and sustainable development across all three pillars of economic, social and environmental realms through mandatory sustainable development reporting of all private sector actors.</p> <p>The fiscal and debt burdens, as well as contingent liabilities, placed on the public sector by PPPs can adversely impact sustainable development and exacerbate the concentration of wealth from the public sector to the private sector. This is a</p>	<p>Blended finance, in particular, entail many risks that should be considered properly. We have to secure that blended finance meet development objectives that they are transparent, accountable and that they are not a waste of scarce ODA resources.</p> <p>The potential of these mechanisms and platforms can only materialize if, in accordance to the principle of precaution and the highest standards of public integrity, careful consideration is provided to regulating the appropriate use and structure of pooled financing instruments, including of PPPs. Projects should be transparent, share risks and rewards fairly, and be implemented following participatory feasibility studies that demonstrate, inter alia, that they provide the best value for money compared with other alternatives. PPPs should not replace or compromise state responsibilities, provide direct or indirect incentives for public institutions to promote or facilitate private sector interests, nor should they impose unsustainable debt burdens or contingent liabilities on governments or offer private sector companies a degree of security higher than that available in private sector projects.”</p>
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		<p>systemic obstacle to achieving the structural transformation needed under the FfD3 framework.</p>	
<p>53</p>	<p>We welcome the G20’s emphasis on infrastructure as a critical component of growth strategies and on strengthening cooperation to address deficiencies in the development, implementation and financing of infrastructure. Given the importance of this challenge for all countries, we call for a global initiative to help scale up investments in sustainable and resilient infrastructure as a key pillar to meet the SDGs, building on existing initiatives and involving all stakeholders. A main goal of this initiative will be to identify gaps and constraints, particularly for countries and sectors that are often overlooked, and enhance mutual learning in the effective delivery of projects and programmes on sustainable infrastructure. It will ensure that projects are environmentally, socially and economically sustainable and help mobilizing financing from all sources. We commit to concerted and coordinated steps to strengthen capacity building as part of our overall effort to increase infrastructure investment, including for investment planning, project preparation and prioritization, and contract negotiation and management. We agree to develop and adopt principles, guidelines and standardized documentation for the use of PPPs, to build a knowledge base and share lessons learned through regional and global fora.</p>	<p>The emphasis on scaling up investments in infrastructure, including private investment, must be predicated on an understanding that private investment will go to sectors that generate the highest returns, creating pressure on infrastructure users, taxpayers, and the public sector to generate maximum levels of return.</p> <p>There is rapidly growing evidence, including from a recent report by the World Bank’s Independent Evaluation Group (IEG), showing that PPPs have major problems: a) they are a very expensive method of financing, and have significantly increased the cost to the public purse; b) this cost is often non-transparent and not accountable to auditors, parliaments or civil society groups; c) they have also tended to be very high-risk financing.</p> <p>PPPs should therefore be approached with caution, and should only be considered if other less expensive and risky financing options are not available. When designing projects, the development needs of people should be explicitly assessed, and equity concerns should be addressed in terms of equitable and affordable access to infrastructure and services. When implementing PPP projects, key elements that should be considered include: thorough cost-benefit analysis; full transparency throughout the whole process; careful design and implementation; engagement of local stakeholders; strengthened oversight and</p>	<p>Suggested language:</p> <p>“(…) to scale up investments in accessible sustainable and resilient infrastructure (…)”</p> <p>“(…) and enhance mutual learning in the effective delivery of projects and programmes on sustainable and accessible infrastructure.”</p> <p>“It will ensure that projects are environmentally, socially and economically sustainable and do not shift risk from the private to public sectors, taxpayers, or users of infrastructure.”</p> <p>First Sentence:</p> <p>Delete</p> <p>Second sentence</p> <p>Given the importance of this challenge for all countries, we call for an accountable global initiative to help scale up investments in sustainable and resilient infrastructure as a key pillar to meet the SDGs, building on existing initiatives, <u>with a UN-led governance framework that incorporates accountability, gender equality, human rights and environmental ex-ante assessment and criteria, transparent reporting, independent evaluation, and monitoring mechanisms</u> and involving all stakeholders.</p>

		regulation, including transparent accounting; and strong monitoring and evaluation.	<p>Last sentence</p> <p>We agree to develop and adopt <u>human rights, gender equality, sustainability and transparency</u> principles, guidelines, <u>ex ante and ex-post assessment and criteria</u>, and standardized documentation for the use of PPPs, to build a knowledge base and share <u>rigorous and comprehensive evaluations</u> lessons learned through regional and global fora.</p>
54	We welcome and call for action on the recommendations put forward under the Sustainable Energy for All initiative, with a combined potential to raise over \$100 billion in incremental annual investments by 2020, through market based initiatives, partnerships and leveraging development banks. We recognize the need for complementary efforts to further strengthen public and corporate governance of the energy sector to increase its operational and financial efficiency, improve financial viability and creditworthiness, and provide appropriate frameworks for scaling up investments in sustainable energy.	The Sustainable Energy for All Initiative is an example of a PPP that was set up without taking into consideration the points mentioned under par. 52. There also is no reason to specifically highlight this initiative, which is just one out of many large-scale and profoundly questionable PPPs.	Delete the paragraph, as it is not compatible with amongst others par. 52.
C. International public finance			
55	(Only last sentence) International public finance also plays a catalytic role in mobilizing additional resources, including in middle income countries, and is increasingly being used to address other international challenges, such as climate change.		<p>Suggested language:</p> <p>New sentence at the end of the para: “We further acknowledge that, to be coherent with the global challenges, in all financing flows, including ODA, there is a need of ensuring a global transition so</p>

			that every origin and destiny of flow of resources have a zero fossil fuel emissions and no nuclear nature.”
56	<p>We welcome the significant increase in the volume of ODA since the adoption of the Monterrey Consensus, despite the difficult fiscal situation of many countries, and are encouraged by those countries that have recently met or surpassed their commitments. Nonetheless, many still fall significantly short of their commitments. We urge all developed countries that have not yet done so to substantially increase their ODA starting immediately with a view to implementing by 2020 their commitment to allocate 0.7 per cent of GNI as ODA to developing countries, with 0.15-0.20 of GNI to LDCs. We strongly encourage all donor countries to establish, by the end of 2015, indicative timetables to illustrate how they will increase their assistance and reach their goals.</p>	<p>Countries are only “urged” to meet the 0.7% deadline of 2020. This paragraph can be radically improved by saying countries “commit” to meet the 0.7% deadline by 2020 and want “binding” timetables. Aid is difficult to enforce and hold accountable without binding timetables.</p> <p>Additionally, to ensure that funding for MICS continues and it aligns with the needs and structural gaps of each country, we urge donors to include regional (binding) timetables. The entire Latin America Region is considered Middle Income (with only Haiti being a LDC). If funding – including ODA- to MICs – we risks serious setbacks. In an analysis done on UNFPA data for Population and Reproductive Health, it was found that ODA for LAC was reduced on 20% in the last three years and domestic funding was not only increasing but was decreasing by 3%.</p>	<p>Suggested language:</p> <p><u>Third sentence (additions in bold):</u> “(...) ODA starting immediately with a view to implementing by 2020 their commitment to allocate 0.7 per cent of GNI as ODA to developing countries –including to MICs, with 0.15-0.20 of GNI to LDCs. Developed countries must also commit at least half of their development assistance to LDCs. We strongly encourage all donor countries to establish, by the end of 2015, indicative timetables by region to illustrate how and where they will increase their assistance and reach their goals-“</p> <p>Add last sentence: <u>“We will scale up the share of ODA for achieving gender equality and women’s human rights and ensure that additional funding is in place to implement the Sustainable Development Goals.”</u></p>
57	<p>ODA remains critically important for countries that have limited capacity to raise public resources domestically, including LDCs, LLDCs and SIDS, fragile and conflict affected states, those in protracted crises and sub-Saharan Africa. We encourage developed countries to target ODA to the poorest and those most in need, taking into consideration agreed spending requirements to end poverty and invest in people. We note with great concern the decline in the share of ODA allocated to the poorest and most vulnerable countries, and welcome the</p>	<p>Focusing ODA and International public finance on the poorest and those most in need should not be just an option. Recent reports show that ODA to countries with high numbers of poor people is actually declining. We would suggest that this language on ODA should actually be tighter.</p> <p>In addition, the language used in the current draft seems inappropriate when noting “invest in people”. The UN, grounded in the framework of human rights, should explicitly state that this is</p>	<p>Suggested language:</p> <p>“We call on developed countries to adopt formal mandates for their implementing agencies aimed at targeting ODA to the poorest people and those most in need, including in Middle Income Countries, taking into consideration the resources and services the poorest have access to and the investments required to end poverty and fulfil human rights.”</p>

	agreement of members of the OECD Development Assistance Committee to reverse the declining trend of aid to LDCs.	about ensuring all people’s human rights’ fulfilment and thus positive improvements on all people’s lifes in all spheres.	
58	An important use of ODA is to catalyze additional resource mobilization from other sources, public and private. ODA can support improved tax collection and help strengthen domestic enabling environments. It can also be used to unlock infrastructure projects through blended or pooled financing, risk mitigation and through science and technology development and exchange. We will hold open, inclusive and transparent discussions on the modernization of the ODA definition and on the proposed indicator of “total official support for sustainable development (TOSSD)”.	<p>The focus on the catalytic role of ODA is ambiguous and potentially problematic as the current wording of Paragraph 58 reflects two different visions: utilizing ODA through market-based interventions such as pooled financing and leveraging, which raises some concerns about both the evidentiary basis to support these interventions and the development impact. Conversely, there is also recognition of the role that ODA can play in supporting better domestic resource mobilisation including improving tax collection. The UN should not support such an ambiguous approach. The UN should be consistent with the call for ODA to be focused on the poor and the most in need, as per Paragraph 57. ODA must target development outcomes directly and not through private sector blending.</p> <p>The TOSSD mention is out of place and seems to be used as a way to either redirect or artificially increase the volume of aid. This is not a UN agenda but rather the OECD agenda.</p>	The current draft should be rephrased, starting with “The catalytic role of ODA should be subject to close scrutiny to assess consistency with the effectiveness principles and whether there is any added real value whenever international public finance is diverted from its primary focus on poverty reduction and sustainable development.”
59	We welcome the increased contributions of Southern partners to sustainable development and look forward to a further strengthening of South-South cooperation and triangular cooperation, including through multilateral efforts in new institutions. <u>We invite developing countries in a position to do so to further scale up their efforts and make their support more effective, in keeping</u>	The declaration should not be prescriptive on what South-South cooperation should be or should look like, as it is voluntary and based on solidarity (not obligation) and if the declaration imposes conditions and obligations on South-South cooperation this will be counter-productive in generating disincentives to those who would otherwise expand South-South cooperation. So the	<p>Language suggestion:</p> <p>Delete the sentences that have been underlined.</p>

	<p><u>with the provisions of the Nairobi outcome document of the High-Level United Nations Conference on South South Cooperation.</u> We welcome the initiative of developing country providers to work collectively through the UN Development Cooperation Forum on improving data and coordinating policies on South-South cooperation. We encourage South-South providers to work to further enhance mutual accountability and transparency <u>with respect to cooperation provisions so as to assist partner countries in planning the most effective use of this support, and to consider including targets and timelines where appropriate,</u> according to methodologies conceived by developing countries that better fit their specificities. <u>We also commit to strengthening triangular cooperation as a means of bringing relevant experience and expertise to bear in development cooperation.</u></p>	<p>declaration should not ask developing countries to ask for future spending plans. (If South-South assistance is voluntary and based on solidarity, the countries should not be asked to reveal any future plans or figures, as this will begin to put them on same footing as developed countries which have obligations, and this will thus backfire.)</p> <p>In the second sentence, the phrase "developing countries in a position to do so" is a term that was not only contested in UNFCCC COP in Lima but REJECTED in the final text that was adopted. If it resurfaces here it may be seen as an attempt to revive a failed attempt by developed countries to push developing countries into a status that is not appropriate.</p> <p>South-South and triangular cooperation, while increasingly important in the re-architecture of international relations, should never substitute or downplay the importance of historical responsibilities and agreed commitments of North-South development cooperation.</p>	
60	<p>We reaffirm the importance of meeting in full existing commitments under international conventions, including on climate finance and other key global challenges. We reaffirm the importance of meeting in full existing commitments under international conventions, including on climate finance and other key global challenges. We recognize that funding from all sources will need to be stepped up for investments in many areas, including for low-carbon and climate resilient development, conservation of biodiversity and</p>	<p>Every flow of resources, in origin and destiny, should be climate change proof, and therefore aiming towards a zero fossil fuel emission and no nuclear. Every reference to low carbon energy sources and systems (such as in para 103), needs to be replaced by the only truly sustainable model, one aspiring to phasing out all fossil fuel emissions and phasing in a 100% renewable energy future with sustainable energy access for all as early as possible, but no later than 2050.</p>	<p>Suggested language (replace para with the following language):</p> <p>“We reaffirm the importance of meeting in full existing commitments under international conventions, including on climate finance and other key global challenges.¹ <u>We reiterate existing commitments in line with CBDR and historical responsibility,</u> and recognize that financing, science, innovation and new<u>technologies transfer</u> from all sources will need to be stepped up for investments</p>

	<p>combatting land degradation and desertification, science, innovation and new technologies. We welcome pledges made to the initial capitalization of the Green Climate Fund, and the Board’s work to fully operationalize the Green Climate Fund as soon as possible. We also welcome the reiteration by developed countries, in the context of meaningful mitigation actions and transparency on implementation, of their commitment to meet the goal of mobilizing jointly USD 100 billion a year by 2020 to address the needs of developing countries, coming from a wider variety of sources, public and private, bilateral and multilateral, including alternative sources of finance</p>		<p>in many areas, including for safe, just, accessible, low-carbon zero fossil fuel emissions, no nuclear and climate resilient development, conservation of biodiversity and combatting global warming, extreme weather and disasters, sea level rise, ocean acidification, land degradation and desertification. We welcome call for more ambitious pledges made to the initial capitalization of the Green Climate Fund, and the Board's work to fully operationalize the Green Climate Fund as soon as possible, including a fully resourced and integrated gender policy and action plan. We also welcome the reiteration by developed countries, in the context of meaningful mitigation actions and transparency on implementation, of their commitment to meet the goal of mobilizing jointly USD 100 billion a year by 2020 to address the needs of developing countries, coming from a wider variety of sources, public and private, bilateral and multilateral, including alternative sources of finance.”</p>
61	<p>We further acknowledge the importance of aligning all financing flows, including ODA, with the three dimensions of sustainable development and that we need to build climate and disaster resilience considerations into development assistance to ensure the sustainability of development results. We recognize that well-designed development actions can capture multiple local and global benefits, including those related to climate change. We recognize the need for transparent accounting for climate finance and welcome the ongoing work in the UNFCCC.</p>	<p>The first line should be deleted because (1) it is not clear what is the meaning of “aligning all financial flows including ODA”; (2) building climate resilience in development assistance would seem to legitimise financing of climate as part of ODA. Climate financing is supposed to be new and additional to ODA. Therefore, the first sentence should be replaced with another sentence that reiterates climate financing as being new and additional, and that such financing is to help developing countries incorporate climate actions into development plans. Developing countries have always insisted that climate financing should: (1) be new and additional</p>	<p>Suggested language for the entire para: <u>Delete first sentence and replace with:</u> “We reiterate that international financing for climate change actions in developing countries represents new resources and additional to ODA. We recognize that such financing will assist developing countries to incorporate actions and measures relating to climate change in their national development processes and plans. We recognize that well-designed development actions – that include participation of civil society - can capture multiple local and global benefits, including those related to</p>

		<p>to ODA; (2) is not part of ODA but part of a commitment within UNFCCC; and, (3) that a large part of climate financing should be for adaptation (Green Climate Fund even decided that half of the GCF resources should be for adaptation).</p> <p>Having made these clarifications on climate finance, we underscore the need for policy and planning coherence between poverty reduction, climate vulnerability, and disaster reduction in crisis affected states as well as the need for comprehensive accountability by donors on all their financing commitments.</p>	<p>climate change. We recognize the need for transparent accounting for climate finance and welcome the ongoing work in the UNFCCC.</p> <p>Proposed inclusion of additional sentence to conclude this paragraph:</p> <p>“To achieve this we will engage closely with other existing international processes working to agree a framework for financing a response to crises – including the World Humanitarian Summit and the proposed UN High Level Panel on humanitarian financing”</p>
62	<p>We welcome the progress made since the adoption of the Monterrey Consensus to develop and mobilize support for innovative sources of additional official financing for development, in particular by the Leading Group on Innovative Financing for Development. We encourage additional countries to voluntarily join in implementing the agreed mechanisms and to help develop and implement additional innovative modalities, including a widening of countries participating in a financial transaction tax, carbon taxes or market-based instruments that price carbon, taxes on fuels used in international aviation and maritime activities, or additional tobacco taxes. These sources should be additional, and disbursed in a manner that respects the priorities of developing countries, and does not unduly burden them.</p>	<p>We welcome the language on the potential displayed at the Monterrey Consensus to try and implement multi-jurisdictional tax cooperation and develop mechanisms of innovative financing specifically geared toward development. We also definitely welcome the naming of the different types of innovative ways for generating revenues from the exercise of state power to taxing the economy, particularly the first-time mention of the financial transactions taxes as being designed by the Leading Group. We also welcome the statement that considers such innovative mechanisms revenues as additional resources to the committed ODA disbursement.</p> <p>However, we believe that a voluntary call for implementing financial transactions taxes, for instance, shies away from the importance in changing a paradigm of financial regulation and revenue generation, an instrument that is much more than just another tax, but an attempt to curb</p>	<p>Suggested language:</p> <p><u>Second sentence</u>: “We encourage additional countries to implement the agreed mechanisms and to help (...)”</p> <p><u>Last sentence</u>: “(...) These sources should be additional and disbursed in a manner that respects the priorities of developing countries, and does not unduly burden them. Furthermore, we urge that part of the resources raised through innovative mechanisms should be invested toward solving specific and pressing social and environmental issues in all countries.”</p>

		the negative externalities of the current world economy.	
63	<p>We recognize the enormous potential of MDBs in financing sustainable development, directly and catalytically, and in helping countries address policy and institutional constraints in a coherent way. (...) We invite MDBs to strengthen these efforts, including through alleviating internal constraints. We encourage efforts by the MDBs to make the safeguards process more efficient and time-sensitive, to ensure that public investment is aligned with and contribute to the realization of sustainable development goals without being unduly burdensome. We encourage MDBs to further develop instruments to channel the resources of long-term investors towards sustainable development sectors, e.g. through long-term infrastructure and green bonds.</p>	<p>The World Bank’s safeguards revision process has raised grave concerns about the consistency of the new framework with existing human rights obligations and international law, including in relation to resettlement policy, the rights of indigenous peoples, and women’s human rights. It is therefore dangerous to encourage safeguards on the basis that they are not “unduly burdensome”.</p> <p>The para seems to suggest that environmental and social standards may function as an obstacle to an efficient development process. This needs to change as it would provide justification for the lowering of any standards and human rights obligations.</p> <p>We welcome the mentioning of impact investment as an innovative way to make private funds available to finance social and environmental outcomes. In this regard, we suggest to specifically reference development impact bonds (or alternatively: social impact bonds), as a concrete instrument to initiate such sustainable and long-term investments. Currently cases are being designed and implemented in the areas of education, health (including health of livestock), and workforce development, among others.</p>	<p>Suggested language:</p> <p>"(...) We invite MDBs to strengthen these efforts, and call on them to establish clear and transparent safeguard systems in order to effectively manage project related risks and mitigate and compensate negative effects. We encourage efforts by the MDBs to make the safeguards process more efficient, to ensure that public investment is aligned with and contribute to the realization of sustainable development goals without producing negative effects and harm to affected communities. In particular, MDBs must ensure that their safeguards are consistent with the extraterritorial human rights obligations of governments, and existing obligations under international law."</p> <p><u>Last sentence (additions in bold):</u> “[...] We encourage MDBs to further develop instruments to channel the resources of long-term investors towards sustainable development sectors, e.g. through long-term infrastructure, development impact bonds and green bonds.”</p>
64	<p>We note with concern that when countries graduate to middle income status, they often lose access to sufficient finance to meet their needs. We</p>	<p>We would like to see stronger language recognising that current graduation criteria are not a suitable for allocation decisions, and that these should be</p>	<p>Suggested language:</p>

	<p>encourage MDB shareholders to apply criteria flexibly and give favorable consideration to review graduation criteria to ensure that they are fair, up to date and relevant. We urge providers to take into account the recipient country’s level of development, vulnerability, debt level, ability to mobilize domestic resources, access to other sources of finance and the type of programme being funded when determining what type of financing would be most appropriate. We also agree on the importance of enhancing risk mitigation mechanisms for sustainable development investments, such as through the World Bank’s Multilateral Investment Guarantee Agency (MIGA).</p>	<p>updated based on broader measures than GDP for determining progress in line with para 119. For instance, ECLAC’s Structural Gap approach is widely recognized as a better classification criterion than GDP Per Capita.</p> <p>Furthermore, evidence has shown that certain MICs display high levels of unmet need for family planning. Equally significant are the remaining inequities between geographic regions and populations groups within MIC countries with regard to access to social services.</p> <p>UNFPA data shows that public spending in mostly MICs in Latin America was reduced by 3% in the last three years while ODA was reduced by 20%. This is why is important to highlight track record and stability of funding from domestic (public) sources.</p>	<p>“We encourage MDB shareholders to apply criteria flexibly and review graduation criteria to ensure that they are fair, up to date and relevant, in line with the proposals to develop measures beyond GDP for determining progress as outlined below. We urge providers to take into account the recipient country’s level of development, vulnerability by population groups, unmet needs (e.g. for family planning), debt level, ability and track record to mobilize domestic resources, access to other sources of finance, as well as the level of poverty in country and the type of programme being funded when determining what type of financing would be most appropriate.”</p>
65	<p>We call on the IFIs to establish a process to examine the role, scale and functioning of the multilateral and regional development finance institutions to make them more responsive to the sustainable development agenda.</p>	<p>If this “process to examine” (which should be explicitly called a “review”) is conducted by IFIs, it will not make any difference to development – the track record has shown this. Currently, most multilateral development finance institutions (DFIs) are driven by rich countries, with developing countries playing a weaker role (European bilateral DFIs are also owned and driven by European governments and consistently fail to include recipient countries in their investment decisions). Such a review has to be housed within a UN intergovernmental process or committee under the auspices of the UN. The review should also examine</p>	<p>Suggested language:</p> <p>“We call on the UN to establish a review process either intergovernmentally or through a committee, which will examine the role, scale and functioning of the multilateral and regional development finance institutions to ensure they abide by the sustainable development goals. The review should also address existing practices to leverage private finance by using public institutions and resources.”</p>

		existing practices to leverage international private finance by using public institutions and resources.	
69	Global partnerships have been particularly effective in the field of health, including the Global Fund to Fight AIDS, Tuberculosis and Malaria, and Gavi, the Vaccine Alliance. We underscore the importance of developing national health systems, as highlighted by the Ebola crisis. We agree to increase capacity, in particular in developing countries, for early warning, risk reduction and management of national and global health risks, as well as for recruitment, development, training and retention of the health workforce in developing countries, especially in LDCs and SIDS.	It is widely acknowledged that Global and multilateral funds – e.g. UNFPA – have a comparative advantage vis-a-vis developing country governments when it comes negotiating prices for commodities due to the sheer volume of their procurements. Moreover, evidence has shown that their procurement chains are often more efficient than the national government ones. A continued role for Global and Multilateral Funds in the area of procurement – such as through the pooling of domestic funding from various countries for joint procurement within a certain thematic area – would contribute to ensuring the most efficient use of scarce domestic resources, especially in social sectors, including SRHR and RH supplies.	Suggested language: “Global partnerships have been particularly effective in the field of health, including the Global Fund to Fight AIDS, Tuberculosis and Malaria, and Gavi, the Vaccine Alliance. [ADD] In particular with regard to the procurement of commodities, there is substantial evidence that using global and multilateral funds – including UNFPA – has proven to be more cost-effective and efficient. A continued role for global and multilateral funds in these areas could therefore help making the most cost-effective use of scarce domestic resources. (...)”
70	It will be impossible to deliver education to all children without successfully reaching children in fragile and conflict-affected states. We therefore call for the Global Partnership for Education (GPE), which currently works in and beyond fragile and conflict affected states, to be strengthened and scaled up to ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to the relevant and effective learning outcomes.	While we support the point made in para 70 on the need to ensure education for children in fragile and conflict-affected states, we believe the same applies more broadly so we propose re-drafting. The addition of “inclusive” is in line with the wording in the proposed SDG 4 “Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all” and in 4.a “Build and upgrade education facilities that are child, disability and gender sensitive and provide safe, non-violent, inclusive and effective learning environments for all”.	Suggested language: “It will be impossible to end poverty without finding solutions to overcome the complex, overlapping challenges faced by fragile and crisis-affected states, and establishing close partnerships with actors from the humanitarian and other communities that respond to crises. “ “(…) We therefore call for the Global Partnership for Education (GPE), which currently works in and beyond fragile and conflict affected states, to be strengthened and scaled up to ensure that all girls and boys complete free, equitable, inclusive and quality primary and secondary education leading to the relevant and effective learning outcomes.

71	<p>In agriculture, food security and nutrition we continue to value the contribution of the Food and Agriculture Organization (FAO), the International Fund for Agricultural Development (IFAD) and the World Food Program (WFP) and IFIs, regional initiatives such as the Comprehensive Africa Agriculture Development Programme (CAADP), Grow Africa, as well as other initiatives such as the multi-donor Global Agriculture and Food Security Program (GAFSP) and the Global Alliance for Climate-Smart Agriculture. To enhance the reach and impact of such initiatives we call on the Secretary-General’s High-level Task Force on the Global Food Security Crisis, in partnerships with other relevant actors, including private sector and civil society, to coordinate the preparation of concrete proposals to improve food security and nutrition and scale up programmes for smallholder resilience. Such proposals should acknowledge the important role of regional initiatives on agriculture and food production, and we call for strengthening collaboration with regional initiatives towards addressing the key constraints to sustainable agriculture and the achievement of food security and nutrition.</p>	<p>The key role of the Committee on World Food Security as the foremost inclusive international and intergovernmental platform on food security and nutrition should be emphasized in the efforts for building a global partnership in agriculture, food security and nutrition. This was also reflected in para 115 of the Rio+20 Outcome Document, which stated “We reaffirm the important work and inclusive nature of the Committee on World Food Security, including through its role in facilitating country-initiated assessments on sustainable food production and food security.” We would however suggest refraining from mentioning any specific initiatives outside the UN system, as this could potentially exclude other efforts from receiving the attention they deserve for the implementation of the goals and targets in the area of food security, nutrition, and sustainable agriculture.</p> <p>We support the call on the Secretary-General’s High-Level Task Force on Global Food Security (HLTF) to coordinate the preparation of concrete proposals on food security and nutrition in order to galvanize global action and maintain the momentum necessary to achieve a world free from hunger where the right to adequate food is realized for all.</p>	<p>Suggested language (please note deletions and additions in bold):</p> <p>“In agriculture, food security and nutrition we continue to value the contribution of the Food and Agriculture Organization (FAO), the International Fund for Agricultural Development (IFAD) and the World Food Program (WFP) and IFIs, regional initiatives such as the Comprehensive Africa Agriculture Development Programme (CAADP), Grow Africa, as well as other initiatives such as the multi-donor Global Agriculture and Food Security Program (GAFSP), and the Global Alliance for Climate-Smart Agriculture. We reaffirm the important work and inclusive nature of the Committee on World Food Security, including through its role in facilitating country-initiated assessments on sustainable food production and food security, and we encourage countries to give due consideration to implementing the Committee on World Food Security Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security. To enhance the reach and impact of such initiatives global action on agriculture, food security and nutrition, we call on the Secretary-General’s High-level Task Force on the Global Food Security Crisis</p>
72	<p>We also welcome continued efforts to increase the effectiveness of development cooperation, and the progress that has been achieved. We will further strengthen national ownership and alignment of</p>	<p>This para should explicitly refer to the principles for Effective Development Co-operation.</p>	<p>Suggested language:</p> <p>“We welcome continued efforts to increase the effectiveness of development cooperation, and the</p>

	<p>activities with national priorities, including through increased joint programming based on national strategies, fully untying aid, strengthening its results orientation and use of country systems, building genuine and inclusive partnerships, and increasing transparency and mutual accountability. Effective development cooperation is particularly important in post-conflict states, and we urge countries to intensify their efforts in such contexts, particularly in using country systems and strengthening capacities. We will pursue these efforts in the Development Cooperation Forum of the Economic and Social Council and in other relevant fora, such as the Global Partnership for Effective Development Cooperation, in a complementary manner.</p>	<p>This paragraph also contains an urgently needed commitment to untie aid. However, there is no adequate follow-up mechanism attached. Such a process should be pushed for in order to ensure that the untying of aid is brought to fruition.</p> <p>Some elements could be further expanded and clarified, in particular: (a) the fact that the effectiveness principles must apply to all development flows and actors; and, (b) what the responsibilities are for different actors in delivering these principles. As this section is under the international public finance heading, there is also a risk that these principles are seen as applying only to aid as opposed to all flows. Future drafts should move this section to the global partnership section to ensure that its universality is clear.</p> <p>Development cooperation effectiveness and principles, as well as sustainable development goals objectives, should be applied not only to traditional forms of public finance like ODA but also to new forms such as ODA being used to leverage private finance and blended finance that mixes ODA and private finance.</p> <p>Para 72 should also recognise progress underway on aligning information on international public finance and national budget systems. This has been a long standing partner country ask that will allow governments to better track international public finance flows into their own national budget systems for coordination, planning and decision</p>	<p>progress that has been achieved. We commit to implement the principles of inclusive partnership, democratic ownership, transparency and accountability, and delivering result based outcome. We will further strengthen national ownership and alignment of activities with national priorities, including through increased joint programming based on national strategies, fully untying aid, strengthening its results orientation and use of country systems, building genuine and inclusive partnerships, and increasing transparency and mutual accountability, including aligning information on international public finance with country budget systems. Effective development cooperation is particularly important in post-conflict states, and we urge countries to intensify their efforts in such contexts, particularly in using country systems and strengthening capacities. We will pursue these efforts in the Development Cooperation Forum of the Economic and Social Council and in other relevant fora, such as the Global Partnership for Effective Development Cooperation, drawing on its strengths as a multi-actor initiative and its experience in monitoring effectiveness at country level.”</p>
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		making country systems and strengthening capacities.	
D. International trade for sustainable development			
<p>The reference to ratifying the Trade Facilitation Agreement should be deleted as it is redundant considering that it is already part of the Bali Package and it gives undue special emphasis on an agreement that has been mainly promoted by developed countries. It is up to each country to decide on the appropriate timing of ratifying the agreement. If Trade Facilitation is mentioned here, other issues such as the food security/public stockholding issue, may also have to be mentioned to provide balance.</p>			
73	<p>A universal, rules-based, open, non-discriminatory and equitable multilateral trading system as well as meaningful trade liberalization can serve as an engine of economic growth and promote sustainable development, not least by encouraging long-term private and public investment in productive capacities. With appropriate supporting policies, trade can also promote decent work, combat inequality and contribute to the realization of the SDGs.</p>	<p>We are not entirely sure what “meaningful trade liberalization” is but we suggest to delete and add a reference to “based on the principle of special and differential treatment” in its place. Furthermore, trade liberalization tends to be a key driver to actually increase inequalities in many developing countries. The reference to “combat inequalities” as if they were a natural phenomenon is therefore misleading.</p> <p>To ensure that trade and investment agreements don’t undermine decent work, sustainable, equitable development, and human rights, governments should conduct periodic, participatory human rights impact assessments, in line with recommendations of the UN Human Rights Council and the Guiding Principles on Human Rights Impact Assessments of Trade and Investment Agreements. Since compliance with the obligations imposed under trade and investment agreements typically is ensured by the threat of economic sanctions or reparations authorized or awarded by an agreement-specific dispute settlement mechanism or international arbitral tribunals, it is important that any inconsistency with pre-existing human rights obligations imposed on the State are</p>	<p>Suggested language:</p> <p>Delete “meaningful trade liberalization” and add a reference to “based on the principle of special and differential treatment”.</p> <p><u>First sentence:</u> “A universal, rules-based, open, non-discriminatory and equitable multilateral trading system based on the principle of special and differential treatment as well as meaningful trade liberalization can serve as an engine of economic growth and promote sustainable development and be conducive to the promotion of gender equality and the human rights of women and girls, not least by encouraging long-term private and public investment in productive capacities.”</p> <p>“With appropriate supporting policies, including periodic, participatory human rights impact assessments, including before new agreements are concluded, trade can also promote decent work, tackle inequality and contribute to the realization of the SDGs.”</p>

		identified beforehand, to the fullest extent possible, and followed up with periodic, participatory assessments.	
75	<p>Since the adoption of the Monterrey Consensus, developing countries have dramatically increased their share in world exports. South-South trade in particular has increased, partly due to the development of global value chains, in which the stages of production from design to the various steps in manufacturing to marketing and sales may take place in different locations around the world. At the same time, LDC participation in world trade in goods and commercial services remains low and world trade seems unable to return to the buoyant growth rates seen before the global financial crisis. Regional integration has boosted trade growth and must be further encouraged. We will endeavour to significantly increase world trade in a manner consistent with sustainable development, in particular to the benefit of the LDCs.</p>	<p>The reference to global value chains (GVCs) in relation to South-South trade has some but not strong evidence. In any case, GVCs are dominated by lead firms in developed countries, who decide which developing countries have the privilege of hosting their tasks and who ensure that most of the value-added are in the OECD countries. There should be language to inject a degree of caution about the impact that North-South trade agreements may have on South-South regional integration and Southern development policy space. Even with its problems, the multilateral, as opposed to the plurilateral, bilateral, regional, approach to trade expansion provides the broadest and fairest approach where all parties have the ability to bargain in a more equal manner, and features such as special and differential treatment have a stable role.</p>	<p>Suggested language:</p> <p>“Since the adoption of the Monterrey Consensus, developing countries have dramatically increased their share in world exports, though this mostly reflects commodity price increases rather than improvements in quantity and value-added of productive capacity. South-South trade in particular has also increased and involves goods with higher value-added associated to development and industrialization (delete the rest of the sentence).”</p> <p>Also suggested language to be inserted:</p> <p>“This shows the beneficial impacts of more trade cooperation among countries at similar stages of development, while proving that Free trade agreements (FTAs) between some developed and developing countries must be negotiated with caution, ensuring that sufficient flexibilities are provided to developing countries. Due to the lack of competitiveness of some of the developing countries, the impact of such FTAs on local industries and production can be negative.”</p>
76	<p>We remain deeply concerned at the failure to conclude the Doha Development Agenda, and call on WTO members to redouble their efforts to successfully conclude the negotiations as soon as possible and to recommit to placing the interests and concerns of developing countries at the heart of these negotiations. We commit to combat</p>	<p>Para 76 should recognize special and differential treatment (SDT) and the food security needs of developing countries. The sentence "We commit to combat protectionism in all its forms" was a major contentious issue at the Geneva Ministerial in 2011 and should be removed. The language relating to WTO accession should be significantly improved to</p>	<p>Suggested language:</p> <p>“Full implementation of special and differential treatment in accounting for the food security needs of developing countries must be recognized. Special</p>

	<p>protectionism in all its forms. In accordance with the mandate of the Doha Development Agenda we urge WTO members to seek to correct and prevent trade restrictions and distortions in world agricultural and fishery markets, including by the elimination of all forms of agricultural export subsidies and disciplining all export measures with equivalent effect. We also urge WTO members to commit to accelerate the accession of all developing countries, in particular LDCs, engaged in negotiations for membership in the WTO</p>	<p>ensure appropriateness to the development needs of acceding countries.</p> <p>Furthermore, in WTO agreements, agriculture and fishery sectors each have their own language. The two are not lumped together. It is best to remove the word fishery. For example on fishery subsidies there is usually language on SDT for developing countries and exemption for artisanal fisherfolk when talking about reducing fishery subsidies. By lumping agriculture and fishery subsidies together in the text, these nuances cannot be captured and thus it is the fishery subsidies issue that is being distorted here.</p> <p>Finally, special and differential treatment must be specifically referred to in this paragraph as it is a major element of the Doha Development Agenda, and gives a good introduction to para. 77 below.</p>	<p>and differential treatment must be provided to developing countries.”</p> <p>The last sentence on WTO accession for developing countries should be nuanced with: “Accession to the WTO should be on terms which are appropriate to the development needs and objectives of the acceding developing country.”</p>
81	<p>We will carry out negotiation and implementation of trade and investment agreements in a transparent manner to ensure that trade and investment treaties do not constrain domestic policies to reduce inequality, protect the environment or ensure adequate tax revenues. We will strengthen safeguards in investment treaties, especially by proper review of investor-state-dispute-settlement (ISDS) clauses, to ensure the right to regulate is retained in areas critical for sustainable development, including health, the environment, employment, infrastructure (including electricity and transport), public safety, macro prudential regulations and financial stability.</p>	<p>UNCTAD is already holding well attended and high level meetings to review investment agreements. This should continue and the FfD3 Conference should give this UNCTAD mandate a boost, particularly since UNCTAD XIV is coming up in 2016.</p> <p>It is also crucial to call for the mandatory review of multilateral, plurilateral and bilateral trade and investment agreements, as well as an ex ante and ex post-facto gender, human rights and environmental impact assessments for all trade and investment policies. This will facilitate a necessary re-orientation of trade and investment to creating decent work, eliminating the gender pay gap, providing technology transfer, promoting links with</p>	<p>Suggested language:</p> <p>“We request UNCTAD to continue organising consultations with member states to review investment agreements and the fairness and impartiality of arbitral tribunals on ways to bring them in line with sustainable development objectives.”</p> <p>“Governments must undertake mandatory reviews of multilateral, plurilateral and bilateral trade and investment agreements, especially North-South agreements, focusing on the right to development, and the specific rights to food, health, and livelihood taking into account the impact on marginalised groups. Trade and investment policies</p>

		small and medium enterprises and fostering territorial decentralization and productive diversification.	must also be subject to ex ante and ex post-facto gender, human rights and environmental assessments.”
E. Debt and Debt Sustainability			
82	<p>We acknowledge that borrowing is an important tool for financing public and private investment critical to achieving the SDGs, including, for example, in infrastructure. Sovereign borrowing also allows government finance to play a countercyclical role over economic cycles. However, borrowing needs to be managed prudently. Since the Monterrey Consensus, strengthened macroeconomic and public resource management has led to a substantial decline in the vulnerability of many countries to sovereign debt distress, as has the substantial debt reduction accorded to the group of heavily indebted poor countries (HIPCs), as well as certain other countries. Yet many countries remain vulnerable to debt crises and some are in the midst of crises, including a number of SIDS and some developed countries. The international community must continue to support the remaining HIPC-eligible countries in completing the HIPC process, and assist other countries facing potential debt crises.</p>	<p>Generally accepted public sector financial management practices recognize that loan/debt financing of annually recurring operating (“current”) costs increases the overall financial burden of those costs and risks undermining economic development unless certain factors are in place.</p> <p>World Bank / IDA loans reported in the OECD DAC database under Population Assistance sector coding frequently indicate coverage of current costs. In order to assure that loan/debt financing in developing countries does not undermine sustainable development, loan/debt instruments should be considered generally inappropriate for financing of recurring operating (current) costs, except in clearly specified circumstances, such as if the loan is planned to (a) serve as a bridge that fills a gap in financing due to known/planned donor disbursement delays; (b) with a donor guarantee / pledge backing; and (c) highly concessional in the case of LDCs.</p>	<p>Add: “We recognize that loan/debt financing of annually recurring operating (“current”) costs increases the overall financial burden of those costs and risks undermining economic development unless certain factors are in place. We urge international lenders to make their decision-making criteria and process open to public scrutiny and to refrain from lending practices that are contra-indicated with generally accepted public sector financial management practices such as the financing of current costs through loan/debt instruments.” (questionable formulation as it may involve lay off of public service officers, teachers, doctors, etc. in times of crisis ...)</p> <p>“We commit to providing sufficient development assistance in form of grants to ensure that the social compact is fulfilled and access to essential health information, services and supplies is ensured without loan/debt financing of annually recurring operating costs.”</p> <p>Add: “We commit to set up a SIDS Debt Relief Initiative.”</p> <p>Edit last sentence: “(...) assist other countries facing debt crises.” (delete <u>potential</u>)</p>
83	The monitoring and prudent management of liabilities is an important element of comprehensive	This additional text relating to the “impact of debt servicing on the realization of the SDGs” is needed	Suggested language:

	<p>national financing strategies and is critical to reducing vulnerabilities. In this regard, debt sustainability analysis (DSA) can be a useful tool to inform the level of appropriate borrowing. We welcome the efforts of the World Bank and the IMF to continue to improve the analytical tools for assessing debt sustainability and prudent public debt management. We also welcome their and others efforts to assist countries in strengthening their sovereign debt management and commit to strengthening technical assistance in this area. We invite the IMF and the World Bank in an open consultative process with relevant stakeholders, to further strengthen their analytical tools for sovereign debt management, by for example better taking account of the growth-inducing effects of debt-financed public investment.</p>	<p>in order to link the World Bank and IMF’s work on debt to SDG implementation. Analyses of debt sustainability should incorporate the impact on debt servicing on the realization of the SDGs, otherwise the Addis outcome cannot be well associated as means of implementation (MOI) for the SDGs.</p> <p>The impact of public-private partnerships (PPPs) on debt sustainability (through practices to classify PPP-related public liabilities as ‘off-budget’ liabilities) should also be highlighted.</p>	<p>“We urge that official debt sustainability assessments pay explicit attention to the fulfillment of internationally agreed goals such as MDGs and SDGs as a priority over debt servicing. We also urge that official debt sustainability assessments reflect public liabilities associated with PPPs.”</p>
85	<p>We reiterate that debtors and creditors must share responsibility for preventing and resolving unsustainable debt situations. In this regard, we acknowledge UNCTAD’s principles on Responsible Sovereign Lending and Borrowing, and the effort of the Working Party on Export Credits and Credit Guarantees of the OECD to provide guidance to its members on responsible sovereign borrowing and on lending to sovereigns. We agree to work in the appropriate forums towards a global consensus on guidelines for debtor and creditor responsibilities in borrowing by and lending to sovereigns, building on existing initiatives</p>	<p>The UNCTAD Principles are good enough at this stage, so UN Member States should endorse them, implement them, and monitor debt stocks and policies against them.</p>	<p>Replace text starting from second sentence by this below:</p> <p>“In this regard, we endorse the UNCTAD Principles on Responsible Sovereign Lending and Borrowing. We will monitor our debt policies and audit our debt stocks against these principles.”</p>
86	<p>We affirm that in instances where governments face the need to restructure their repayment</p>	<p>If the Addis outcome is to be part of the MOI for the SDGs, then it should incorporate the means by</p>	<p>Suggested language (this may fall into either para 86 or para 87 below):</p>

	<p>obligations, it is important that debt restructurings be timely, effective and fair. We believe that the aim of the workout from a sovereign debt crisis should be to restore public debt sustainability and to help the government and people reap the benefits of higher growth. In addition, the ability of countries to achieve sustainable development should be taken into account in debt restructurings.</p>	<p>which growth and renewed access to external finance can be afforded to countries is a situation of sovereign insolvency.</p> <p>There should also be an explicit reference to the sovereign debt workout resolution (Res. 63/804) adopted by the UN General Assembly so as to give stress to this important initiative.</p> <p>The previous Elements paper had referred to debt audits that could be initiated and owned by both creditor and debtor countries. This language on country-owned debt audits should be brought back.</p> <p>Debt restructurings also need to include the need to secure public expenditure on essential services.</p>	<p>“We welcome the decision of the UN General Assembly in its Resolution 68/304 to establish a multilateral legal framework for sovereign debt restructuring and commit to fulfill the mandate to reach an outcome during the 69th General Assembly, and we agree to engage in subsequent international discussions as may be warranted.”</p>
87	<p>We recognize that important improvements have been made since Monterrey in enhancing the processes for cooperative restructuring of sovereign obligations, including in the Paris Club of official creditors and in the market acceptance of new standard clauses of government bond contracts. Yet we acknowledge that the resolution of sovereign debt crises is governed by a loose set of arrangements. We recognize that there is room to improve the burden-sharing between public and private sectors and between debtors and creditors. This will require a design of international arrangements that minimizes both creditor and debtor moral hazard, and facilitates a fair and efficient restructuring, that respects the principle of shared responsibility. We welcome the recent work on the IMF’s lending framework and take note of</p>	<p>By welcoming IMF work and only taking “note of” UNCTAD and UN work, it implies that the ongoing UN work is not as legitimate or worthwhile. This is made more pronounced when the UN General Assembly’s work on the multilateral framework for debt restructuring is not even explicitly mentioned. This carries the risk of killing the UN’s efforts on a debt restructuring framework before it starts in earnest. The other additional texts that refer to the involvement of the private sector and to the non-bailing out of private creditors recognize that risk-taking private sector creditors should not be bailed out using public funds, particularly in cases where such risk-taking behavior contributed to the debt crisis or to capital flight.</p>	<p>Suggested language:</p> <p>“We emphasize that multilateral lending to debtor countries should not be used to bail out private creditors and to finance capital flight.”</p>

	the ongoing work at the IMF, UNCTAD and the UN in this area.		
90	We appreciate that severe natural or economic shocks can undermine a country’s debt sustainability and that public creditors have taken unilateral steps to offer to ease debt repayment obligations following an earthquake, a tsunami and in the context of the Ebola crisis in West Africa. We encourage consideration of further steps in this regard, including introducing specific contingencies in standard bond contracts that would automatically extend repayments as well as in the terms of inter-governmental lending, as in GDP-linked loans or other loans with a countercyclical repayment option that the French development agency currently offers to low-income countries.	Debt adjustment responses to external shocks should be available to all, not just low income, countries and from donor countries, since these shocks are not self-created.	Suggestion for deletion of the last sentence starting with: “We encourage consideration of further steps in this regard,” Suggested language to insert: We recognize the innovations that have occurred in this field, such as GDP-linked loans, and request the UN system to expand technical support in their use.
F. Systemic issues			
91	We committed in Monterrey and Doha to build bridges between development, finance and trade organizations and initiatives, within the framework of the holistic Monterrey agenda. Since Monterrey we have become increasingly aware of the need to take much more serious account of environmental challenges, including natural disasters and climate change, in our coherence agenda. We resolve to take measures to arrive at a stronger, more coherent and more inclusive international architecture to improve global governance for sustainable development.	It is important to refer more explicitly to the need for transformative change in this paragraph, also to ensure coherence with the post-2015 development agenda.	At the end of the paragraph add “(...) and transformative change. ”
92	The 2008 world financial and economic crisis underscored the need for sound regulation of	Text that talks about policy surveillance with respect to major economies whose policies have	Suggested language:

	<p>financial markets, as well as the imperative of a global financial safety net. We welcome the important steps that have been taken since Monterrey and particularly following the crisis in 2008 to reduce vulnerability to international financial disruption of development. The IMF and the World Bank played important countercyclical roles during the crisis. The IMF bolstered its lending capacity, and the world’s principal financial centres have worked together to reduce sources of global financial volatility through stronger national financial regulation in a reform agenda whose completion remains a high policy priority. Nonetheless, regulatory gaps and misaligned incentives continue to pose risks to financial stability, and suggest a need to consider further reforms to the global monetary system.</p>	<p>systemic impacts is needed in order recognize that this is a major issue in the international monetary system. IMF lending itself should be called on to be coherent or aligned to human rights and the sustainable development goals.</p> <p>Before going into matters of the IMF, and in relation to 2008 crisis, it is essential to commit to strengthen the authority of the UN to lead the necessary rights-based pro-development economic and financial reforms, in particular responding to issues of global macroeconomic policy including its social and ecological dimensions.</p> <p>The last sentence of the paragraph is extremely important and requires further strengthening in order to advance the necessary reform of the monetary system.</p>	<p><u>First sentence (replace with the following text):</u> “(...) has also underscored the need for effective surveillance of policies in countries with disproportionately large impact on global economic conditions.”</p> <p><u>Suggested sentence to insert:</u> “Because the IMF uses resources from the public sector of the global community, the application of the IMF’s resources must be coherent with and aligned with sustainable development goals.”</p> <p><u>Last sentence (replace with the following text):</u> “Nonetheless, regulatory gaps and misaligned incentives continue to pose risks to financial stability, and have strengthened our resolve to pursue further reforms to the global monetary system.”</p>
93	<p>The major economy countries among us commit to continue to strengthen international coordination of macroeconomic policies for greater global financial stability and sustainable development, acknowledging that national policy decisions can have systemic and far-ranging effects well beyond national borders. In this regard, we welcome frameworks for swap lines among central banks of qualified countries supported by multilateral institutions.</p>	<p>Without a more credible system for coordination than what we have today this paragraph will remain meaningless rhetoric. Time-relevant goals should also be established to show a sense of commitment amongst member states.</p>	<p>Suggested language:</p> <p><u>Insert a new sentence after the first one:</u> “To that purpose, we commit to establish a Global Economic Coordination Council under the auspices of the UN, which will meet at Heads of State level and be accountable to the broader membership of the UN through a constituency-based representation system.”</p> <p><u>Suggest to insert in first sentence:</u> “The major economy countries among us commit to continue to strengthen international coordination of macroeconomic policies, while ensuring to mainstream the gender perspective at all levels and in all sectors, for greater global financial stability and sustainable development,</p>

			acknowledging that national policy decisions can have systemic and far-ranging effects well beyond national borders.”
94	At the same time, we recognize the importance of strengthening the permanent international financial safety net. The implementation of the 2010 reforms remains the highest priority for the IMF and we strongly urge the earliest ratification of these reforms. We remain committed to maintaining a strong and quota-based IMF, with adequate resources to fulfill its systemic responsibilities.	<p>The emergency lending by the International Monetary Fund continues to be cumbersome, stigmatizing, and subject to unwarranted and inappropriate conditions – that vary unevenly depending on the members and their geopolitical importance to G7 countries. The IMF was also unable to forecast the financial crisis, something that some could claim was impossible if not for the fact that another institution, UNCTAD, did.</p> <p>For those reasons, we think there are no basis for calling for a strong IMF – if that means stronger than it is now – even though we agree that the resources it currently has should be all subject to the normal governance channels (thus a quota – based IMF as opposed to one funded by any number of bilateral credit lines is desirable).</p>	<p>Suggested language (replace para with the following text):</p> <p>“At the same time, we recognize the importance of interrogate the role of the IMF in the permanent international financial safety net, especially in light of its failures pre-2008 crisis. We remain committed to maintaining a quota-based IMF, with adequate resources subject to the fulfillment of its systemic responsibilities. To the extent that bilateral credit lines continue to contribute to the IMF lendable resources, conditions attached to them should be fully transparent.”</p>
95	We invite the IMF to consider regular periodic allocations of special drawing rights (SDRs) to supplement IMF member countries’ foreign reserves and to better support developing countries, including LDCs. We welcome new regional and sub-regional economic and financial cooperation initiatives in coordination with the IMF. We call on the relevant international financial institutions to further improve early warning of macroeconomic and financial risks.	<p>Issuing SDRs is important but doing just that will not be enough to strengthen the reliance of the system on SDRs and tackle the current problems associated to the domestic currency of one country acting as international reserve and trading currency.</p> <p>Furthermore, the reference to “coordination with the IMF” is unnecessary and should be deleted.</p>	<p>This para could be strengthened considerably by removing “We invite the IMF to” and replacing it with “We agree to strengthen the role of the SDRs in the international monetary system, including through necessary reforms to their functionality and allocation, and have the IMF periodically consider meaningful and regular allocations (...)”</p> <p><u>Second sentence:</u> Delete “in coordination with the IMF.”</p> <p>Language adopted by consensus in 2009 (World Conference on Economic Crisis) could be used here: “Given the sensitivity of regional and sub-regional</p>

			<p>institutions to the specific needs of their constituencies, we note the value of regional and sub-regional cooperation efforts in meeting the challenges of the global economic crisis and we encourage enhanced regional and sub-regional cooperation, for example, through regional and sub-regional development banks, commercial and reserve currency arrangements, and other regional initiatives, as contributions to the multilateral response to the current crisis and to improved resilience to potential future crises.”</p>
<p>96</p>	<p>We agree on the need to respect each country’s policy space and leadership to establish and implement policies for poverty eradication and sustainable development. In this regard, we recognize the importance of capital account and macro prudential regulations, and will strengthen our support for capacity-building in monitoring, analyzing and forming policy on capital flow management. We are concerned about the volatility of commodity prices, including food prices. We call on relevant regulatory bodies to adopt measures to ensure that these markets appropriately reflect underlying demand and supply changes, and to facilitate efforts to provide food producers with timely access to market information. We welcome the work by the Financial Stability Board (FSB) on financial market reform. We agree to hasten completion of the reform agenda on financial market regulation, including reducing the systemic risks of shadow banking, including markets for derivatives and repurchase agreements, ending the risk of “too-big-to-fail” financial</p>	<p>Important to keep this paragraph. In relation to the volatility of commodity prices, there should be explicit reference to the need to restrict dealing with food commodity derivatives to qualified and knowledgeable investors who work on the basis of expectations regarding market fundamentals, rather than on the basis of speculative motives.</p>	<p>Suggested language:</p> <p><u>Second and third sentences (replace with the following text):</u> “We are concerned that the financialisation of commodities has generated volatility in the commodities market with significantly detrimental effects on commodity-dependent developing countries. We will establish finance and trade mechanisms to ensure adequate buffers for commodity producers, especially smallholder and small producers, against the transmission of external shocks brought on by volatility in commodity markets. Innovative financing mechanisms at the micro, national, and regional levels, as well as regional commodity strategies and mechanisms will be established.”</p> <p><u>New sentence:</u> “Commodity-dependent developing countries need assistance to transform into diversified economies with strong agro-industrial linkages. We must address speculative financial activity in commodity exchanges through graduated commodity-transaction taxes that will contribute to</p>

	<p>institutions, and addressing cross-border elements in effective resolution of troubled systemically important financial institutions. We will continue to strengthen frameworks for macro prudential regulation and countercyclical buffers.</p>		<p>a commodity-dependence transformation fund to benefit commodity-dependent developing countries. A global commodity governance mechanism, also involving UN agencies and regional economic commissions from developing regions, shall be established. This mechanism must include temporary special measures for women to be supported throughout the transformation process. An agreed definition of commodity-dependency and a corresponding commodity-dependence index shall be created as the basis of concrete goals and targets for achieving economic transformation away from commodity-dependency towards a fully diversified economy.”</p> <p><u>Fourth sentence:</u> “We call on relevant regulatory bodies to adopt measures to ensure that these markets appropriately reflect underlying demand and supply changes, to restrict dealing in food commodity derivatives to qualified and knowledgeable investors working on the basis of expectations regarding market fundamentals, and to facilitate efforts to provide food producers with timely access to market information.”</p>
97	<p>We acknowledge that we have not solved how to reduce financial regulatory reliance on credit rating agency assessments or promote alternatives to the “issuer-pays” model of credit ratings. We invite increased competition in the provision of credit ratings, including by establishment of public agencies, where appropriate. We will also continue to explore reform of compensation practices in our</p>	<p>Important to keep this paragraph</p>	

	countries to incentivize greater long-term investment.		
98	<p>We resolve to ensure that international agreements, rules and standards are consistent with each other and with progress towards the SDGs, for example, those for trade, intellectual property rights, banking and insurance regulation, balance-of-payments management and accounting standards. To this end, we invite relevant international institutions, as well as private rule-setting bodies, to undertake ‘coherence checks’ and regularly publish reviews of the impact of their operations on the achievement of economic, social and environmental priorities and in particular the SDGs. We encourage all international and national development finance institutions to align their business practices with sustainable development objectives, including through assessments of their impact on the enjoyment of human rights, including indigenous peoples' rights, progress toward gender equality, and ESG targets that they have adopted. We further invite all relevant international institutions to recognize the group of LDCs, to fully reflect the importance of fragility and structural constraints in achieving the SDGs.</p>	<p>The recognition of consistency among policies is welcome, however a mere “invitation” is not enough. An action item or mandate is necessary, which can be taken up by countries and the UN system in order to promote international coherence and consistency with human rights, the achievement of the SDGs and previous commitments.</p> <p>Another point is about intellectual property rights. International agreement, for example, has been reached on the access to published work to persons with disabilities (WIPO Marrakesh Treaty). Therefore persons with disabilities should be mentioned explicitly – see language suggestions below.</p>	<p>Suggested language:</p> <p>“We undertake to establish a global coherence and oversight mechanism within the UN system.”</p> <p>And also:</p> <p>“We encourage all international and national development finance institutions to align their business practices with sustainable development objectives, including through assessments of their impact on the enjoyment of human rights, including indigenous peoples' rights and persons with disabilities, progress toward gender equality, and ESG targets that they have adopted.”</p>
99	<p>We recommit to broadening and strengthening the participation of developing and transition economy countries in international economic decision-making and norm setting. We agree to overcome obstacles to planned resource increases and governance reforms at the IMF. We welcome the expansion in the number of participants in meetings</p>	<p>This paragraph is limited to suggesting a mere “increase” in the voice and vote for developing countries. What it really needs is a commitment to reach parity as a first step.</p>	<p>Suggested language:</p> <p>“(…) to achieve parity in the voice and participation of developing countries on par with that of developed countries.”</p>

	<p>of the FSB and recommend consideration by the FSB, the Basel Committee on Banking Supervision and the other main international regulatory standard setting bodies to increase the voice and participation of developing countries, including in all of their subsidiary committees. As the shareholders in the main international financial institutions, we commit to open and transparent, gender-balanced and merit-based selection of their heads.</p>		
100	<p>Recognizing the positive contribution that well-managed migration and mobility can play for inclusive growth and sustainable development, we will make efforts to enable the orderly, safe and regular migration and mobility of people, while protecting the rights of migrant workers in compliance with the ILO’s fundamental conventions, as well as the rights of displaced persons. We also resolve to strengthen national institutions and enhance international cooperation to prevent violence and combat terrorism and crime, and end trafficking and exploitation of children. In this context, we commit to ensuring the effective implementation of the United Nations Convention on Transnational Crime.</p>	<p>The language of “migration management” reinforces State control and treatment of migrants as commodities, and ignores the agency and decision-making of migrants as they seek better options for their lives and livelihoods. It is also limited to regular migration and overlooks the fact that migrants have many reasons for moving through irregular channels. State’s obligations in relation to the treatment and protection from exploitation of migrants and migrant workers are embodied in both international human rights instruments and ILO conventions, including ILO Convention 189 and ILO Protocol of 2014 to the Forced Labour Convention (1930). The link in this paragraph to a security and counter-terrorism agenda further suggests that the intention of this paragraph is not about the human rights of migrants, but about State control over their borders and security. It is also peculiar that the commitment to end trafficking and exploitation is limited to children, and not adults (of all genders).</p>	<p>Language suggestion: DELETE this paragraph and replace with:</p> <p>“Recognising the precarious conditions under which many migrants work and travel, particularly women migrant workers and vulnerable groups of migrants such as children, persons with disabilities and older people, we commit to ending policies and practices that promote their exploitation, including through the regulation of recruitment agencies and the elimination of debt bondage, and through the fulfilment of our obligations under international human rights instruments and ILO conventions, including ILO Convention 189 and ILO Protocol of 2014 to the Forced Labour Convention (1930).”</p>

		On the contrary, this paragraph needs to focus on fulfilling the human rights of migrants, and particularly women migrants and vulnerable groups of migrants such as children, persons with disabilities and older people.	
100 bis	Proposed inclusion of new paragraph	In order to avoid working in silos, the FfD outcome document should also recognize transparency as a systemic issue. This is a pre-condition for better coordination, policy coherence and accountability. Transparency initiatives should be recognized and work together to enable sustainable development commitments deliver in a holistic way.	Suggested language: “We recognise that transparency is a pre-requisite for effective and responsive institutions, the efficient and sustainable management of public and private resources and increased accountability towards citizens. Lack of public information about revenue flows, expenditures and results achieved is a systemic issue in many countries. We acknowledge the progress made by voluntary transparency initiatives in sectors such as aid, extractives and construction, as well as government budgets, in enabling a variety of stakeholders to publish data on different resource flows and how they are being spent. Networks and platforms such as OGP, GIFT, IATI, Open Contracting and EITI are demonstrating the potential of multi-stakeholder partnerships and open data standards for greater accountability. We encourage those who have not already done so to join these initiatives and support efforts to ensure that open data standards are interoperable, avoiding data silos and allowing data from different sources to be joined up and compared.”
G. Technology, innovation and capacity building			
While many developing countries raised technology innovation and knowledge transfer as high priorities in the context of the post 2015 MOI discussion, this is not a pillar in the Monterrey/Doha framework and it is therefore surprising that it takes even longer than established pillars such as debt and trade. We therefore reiterate			

<p>the call to re-establish the Monterrey/Doha framework and avoid introducing new pillars. These issues should be primarily addressed in the context of the post 2015 MOI negotiation and can also be addressed as they emerge under the other pillars.</p>			
105	<p>To encourage innovation, countries should remove barriers to entrepreneurship and increase support for research and development, and foster cooperation, including among academia, industry, government, civil society and innovation laboratories. We affirm that regulatory environments that are open, non-discriminatory, transparent, and collaborative can further our efforts substantially by enabling entrepreneurs, scientists, and investors to collaborate and compete in the global marketplace on the merits of their ideas and innovations.</p>	<p>This paragraph is heavily prescriptive, and with no foundations. Removing “barriers to entrepreneurship” could be code language for liberalization of investment, precisely the opposite of what may be needed to ensure foreign investors share technology. Likewise, references to “open, non-discriminatory and transparent” regulatory environments.</p>	<p>Suggested language: “To encourage innovation, countries should remove barriers to entrepreneurship and should increase support for research and development, and foster cooperation, including among academia, industry, government, civil society and innovation laboratories.”</p>
106	<p>Given its entrepreneurial nature, the private sector plays a critical role in fostering innovation and technological development. At the same time, we recognize that private capital is sometimes unwilling to invest in innovation and technologies most necessary for sustainable development, given the high risks and uncertain returns associated with many investments. We underline the importance of public financing and policies, along with development cooperation, to promote research and development, and diffusion and transfer of technologies on mutually agreed terms, particularly to developing countries. Public funding can also be used to ensure that critical projects remain in the public domain. To overcome funding gaps for early stage sustainable technologies and support adaptation of clean late-stage technologies, we will consider setting up innovation funds where</p>	<p>We do not see the value of including the first two sentences.</p> <p>The last sentence introduces problematic concepts and we propose to delete it.</p>	<p>Suggested edits: Delete first two sentence Delete last sentence</p>

	appropriate, on an open, competitive basis that incentivizes collaboration among private and public actors. We recognize the value of a “portfolio approach” in which public and private venture funds invest in diverse sets of projects to diversify risks and capture the upside of successful enterprises.		
107	In this context, we agree to adopt science, technology and innovation (STI) strategies as integral elements of our national sustainable development strategies. These strategies help strengthen the environment for knowledge sharing and collaboration among all stakeholders, including through sound regulation and balanced intellectual property rights regimes. We will also scale up investments in science, technology, engineering and mathematics (STEM) education, and enhance technical and vocational education and training, ensuring equal access for women and girls and encouraging their participation. We will significantly increase access to ICT and strive to provide universal and affordable access to the internet in the LDCs by 2020. In addition, we underscore the need to increase R&D in areas critical to sustainable development.	Intellectual property rights regimes have to be appropriate to the country’s circumstances in order to make sure that they do not become a barrier to the country’s achievement of technological and industrialization development objectives. It is also important to recognize the knowledge and practices of indigenous peoples and other holders of traditional knowledge, which is particularly important for ecosystem conservation and restoration.	After the second sentence (ending in “including through sound regulation and balanced intellectual property rights regimes”), the additional text is necessary: “(...) suitable to national development needs and conditions.” Add a sentence: “We also recognize the value and commit to respect and protect the traditional knowledge and practices of indigenous peoples and local communities, especially as they relate to ecosystem conservation and restoration.”
108	(...) To this end, we will scale up support to PPPs targeting technology development and diffusion in priority areas, including low-carbon climate resilient technologies, climate-resilient agriculture, sustainable urban development (transport, buildings, food and service provision) and vaccines and medicines. (...)	Why PPPs in particular? Suggest that we call simply to scale up financing—no added value in referring to PPPs as a specific modality in this instance. We suggest replacing the term “climate-resilient agriculture” with “sustainable agriculture”, as the	Suggested language: <ul style="list-style-type: none"> • Change “scale up support to PPPs” with “scale up financing” • Change “climate-resilient agriculture” with “sustainable agriculture”.

		term “sustainable agriculture” is broader and encompasses climate resilience.	
H. Data, monitoring and follow-up			
115	We will seek to improve the availability of sufficiently disaggregated financing data, including gender-disaggregated data, as well as data on other means of implementation, and to strengthen the capacity of our national statistical offices and systems. We call on relevant international financial institutions to strengthen and standardize data on domestic resource mobilization and other streams of finance. In support of this effort, we commit to enhance capacity building and promote sharing of experiences and expertise among developing countries, and to provide adequate financial support to enable developing countries and LDCs and SIDS in particular, to increase collection and publication of high quality, timely and reliable data in support of the post-2015 development agenda.	<p>Better data on all development finance flows – public and private, domestic and international – is essential for building a complete picture of the resources available for sustainable development, and to mobilise and monitor these resources effectively at national and international levels. It is also important to note that data does not deliver transformational change on its own. It has to be used by all stakeholders including local governments and civil society which should be supported in terms of participation and capacity building. A focus on open data and statistical systems at country level will be especially important to strengthen domestic capacity and accountability.</p> <p>Disaggregation of data by disability gender, age, race, ethnicity is necessary to achieve transparency and accountability and make sure that financing for sustainable development reaches the most marginalized populations to see if resources are benefitting persons with disabilities.</p> <p>Reporting on gender equality outcomes should be mandatory for all governments and development actors using gender-disaggregated indicators and data.</p>	<p>Suggested language:</p> <p>“We will seek to improve the availability of sufficiently disaggregated financing data, including data disaggregated by gender, disability, age, and other characteristics, as well as data on other means of implementation, and to strengthen the capacity of our national statistical offices and systems.”</p> <p>“We call on relevant international financial institutions to strengthen and standardize data on domestic resource mobilization and other streams of finance based on existing open data standards. In support of this effort, (...) to increase collection and publication of accurate, timely and relevant data in support of the post-2015 development agenda.</p> <p>ADD:</p> <p>“We will commit to promoting and building capacity for data use by all actors engaged in the policy-making process, including national and sub-national decision-makers and those who hold them to account. Targeted support will be needed for this effort.”</p>
116	We recognize that greater transparency is essential. To this end, we welcome proposals on improved statistical indicators of financial and technical	Efforts to set up monitoring and follow-up mechanisms on financing for development will not be effective if governments do not include a specific	Suggested text: Merge para 116 and 117.

	cooperation for sustainable development by all official providers and, separately, for development assistance from foundations and other non-governmental providers.	commitment for development actors to publish timely, comprehensive and forward looking information on all their activities in a common, open, electronic format based on strengthening existing global open data standards. This commitment will allow governments and their partners trace financing for development flows from source to results and enhance coordination, transparency and accountability.	“We recognize that greater transparency is essential for monitoring financing for development commitments. We commit to publishing timely, comprehensive and forward-looking information on all our development activities in a common, open, electronic format based on strengthening existing global open data standards such as the International Aid Transparency Initiative (IATI). All other development actors should be encouraged to follow this lead.”
117	Greater transparency can be achieved by publishing timely, comprehensive and forward-looking information on development activities in an independent, standardized, open, electronic format. We will learn from and strengthen existing initiatives and open data standards. A focus on data and statistical systems at the country level will be especially important in order to strengthen domestic capacity and accountability. Targeted support will be needed for this effort.		
119	We further call on the United Nations and the IFIs to develop a broader metric of well-being than GDP as a sustainable development indicator, which recognizes the multi-dimensional nature of poverty and the social, economic, and environmental dimensions of domestic output.	Evidence has shown that certain MICs display high levels of unmet need for family planning. Equally significant are the remaining inequities between geographic regions and populations groups within MIC countries with regard to access to social services.	Suggested language: “We further call on the United Nations and the IFIs to develop a broader metric of well-being than GDP as a sustainable development indicator, which recognizes the multi-dimensional nature of poverty and the social, economic, and environmental dimensions of domestic output, [ADD] by taking into account inequities, vulnerabilities and unmet needs within countries and between population groups.”
121	A strengthened follow-up process will need to monitor and review implementation of this Accord, comprising the overall financial, trade and investment policies of the global partnership for sustainable development, and ensure coherence and synergies across policy actions. To achieve this, it will be necessary to ensure full participation of	This sounds like a good starting point for what a follow up should include, but by no means satisfies the level of precision that we expect in the adoption of a follow up mechanism in Addis.	Suggested language: “We will establish a Financing for Sustainable Development Commission as an intergovernmental body to operate under the sui generis rules of the Monterrey process in order to include all its stakeholders. In addition to periodic follow up meetings, the Commission will meet biennially at a

	<p>ministries of finance, economic development, trade and development cooperation, central banks and financial regulators, as well as the major institutional stakeholders, other MDBs, the OECD, the FSB, other relevant institutions, civil society and the business sector in the relevant processes and fora.</p>		<p>Ministerial level to adopt a negotiated outcome addressing implementation.”</p>
123	<p>To strengthen follow-up on the global level, we request the Secretary-General to convene an inter-agency Task Force, including the major institutional stakeholders, to report annually on progress in implementing the present Accord and to advise the intergovernmental follow-up thereto on critical implementation gaps and recommendation for corrective action. The report on progress and critical gaps in implementing the global partnership for sustainable development will also be considered by the High-level Political Forum on Sustainable Development, as part of the review mechanism to be established to monitor and review the implementation of the sustainable development goals and its means of implementation. We invite relevant international institutions, regional and other development banks, academia, think tanks, civil society and business to provide input to the inter-agency task force.</p>	<p>The HLPF was set up for Rio+20 and the SDGs are a follow-up of Rio+20, so HLPF is the natural home for that. But the institutional home for FfD is in DESA, which must also have a role in the follow-up process, interfacing both with the HLPF and with the regional commissions, as well as with all Member States in the General Assembly.</p>	
124	<p>We will consider the need to hold a follow-up international conference to review and further advance the implementation of the Addis Ababa Accord by 20XX.</p>	<p>The zero draft text holds having a follow-up conference hostage to future negotiations on the issue in the UN General Assembly, which renders it completely uncertain. The text should clearly and explicitly already set out a mandate for the holding</p>	

		<p>of the follow up conference by a clearly specified date.</p> <p>The FFD follow-up mechanisms should be built in consultative processes, with clear opportunities for consistent and regular inputs CSOs, including women’s rights organizations.</p>	
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