CIVIL SOCIETY FINANCING FOR DEVELOPMENT MECHANISM

Outcome Document of the 2023 ECOSOC Forum on Financing for Development (Zero Draft)

Inputs by Civil Society Financing for Development (FfD) Mechanism (including the Women's Working Group on FfD)

21 March 2023

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

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

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

Zero Draft	**Alternative Suggestion**	**Comments**
1. We, Heads of State and Government, Ministers and high-level representatives, have met from 17 to 20 April 2023 at the eighth Economic and Social Council Forum on Financing for Development follow-up.		
2. We express our grave concern that recent shocks are threatening to further reverse progress on the Sustainable Development Goals (SDGs), especially for the most vulnerable countries. We reaffirm our resolve to continue to scale up our efforts towards the full and timely implementation of the Addis Ababa	We express our grave concern that recent shocks ~~are threatening to further reverse progress on~~ have further widened the global systemic barriers to achieving the Sustainable Development Goals (SDGs), rendering inevitable the reversal of what limited progress has been achieved,, especially for the most vulnerable countries, including middle-income countries. We not only reaffirm	

Action Agenda on Financing for Development, as well as the 2030 Agenda for Sustainable Development.	our resolve to continue to scale up our efforts, but commit to greater ambition as required by the scale of multiple crises, towards the full and timely implementation of the Addis Ababa Action Agenda on Financing for Development, the Doha Declaration and the Monterrey Consensus (para 2, AAAA), as well as the 2030 Agenda for Sustainable Development.	Para 2 of AAAA commits to following up on all FfD outcome documents.
3. We meet amid a highly challenging environment in which global sustainable development prospects continue to diverge. Sharp increases in food and energy prices, elevated inflation, tightened financial conditions, high indebtedness, and a further escalation of geopolitical tensions and conflicts have exacerbated challenges for many countries on top of those associated with post-Covid recovery, increasing hunger and poverty. We note that the global macroeconomic outlook remains highly uncertain, and particularly bleak for many of the most vulnerable countries faced with growing debt service burdens and tight fiscal constraints. If left unaddressed, the finance divide will translate into a lasting sustainable development divide.		
4. In the face of the multiple and interlinked global crises, we must meet the moment and embrace change by taking immediate measures to scale up development cooperation and SDG investments, reform the international financial	~~In the face of the multiple and interlinked global crises, we must meet the moment and embrace change by taking immediate measures to scale up development cooperation and SDG investments, reform the international financial architecture and~~	The SDG Stimulus package should be carefully assessed and a blanket endorsement of the entire document with no intergovernmental discussion is not appropriate. The FfD outcome document is not the place for making such an assessment.

architecture and implement national actions to accelerate sustainable development, in particular in support of developing countries. We welcome deliberation on the Secretary-General's proposal for an SDG Stimulus to tackle the high cost of debt and rising risks of debt distress, massively scale up affordable long-term financing for development and expand contingency financing to countries in need.	~~implement national actions to accelerate sustainable development, in particular in support of developing countries.We welcome deliberation on the Secretary-General's proposal for an SDG Stimulus to tackle the high cost of debt and rising risks of debt distress, massively scale up affordable long-term financing for development and expand contingency financing to countries in need.~~	
Cross-cutting issues		
5. We reiterate the importance of ensuring the universal availability of and equitable access to Covid-19 therapeutics, diagnostics and other health tools, vaccines and treatments. We commit to help developing countries in their efforts to meet national immunization requirements, improve national health systems and health infrastructure, and strengthen pandemic prevention, preparedness and response, with a view to achieving universal health coverage.	We commit to review current trade rules in order to promote the manufacturing of COVID-19 related medical products in developing and least-developed countries by promoting access to technology, raw material and finance.	The Agreement on Trade Related Aspects of Intellectual Property (TRIPS) at the WTO imposes strong IP standards across Member countries and ensured monopoly rights for technology innovators which are largely MNCs based in the developed countries. This has constrained access to critical products such as health products, and also important industrial products. The Covid-19 pandemic revealed that even TRIPS flexibilities have been discouraged through massive pressures from the US and EU. Especially in critical products which is blocked by such IPR standards set by TRIPS and now hardened in several North-South FTAs. The FfD process properly recognizes access to technology as a critical development dimension. The process must fulfil its promise so that developing countries need is access to technology for their industrial development. This will in turn not only galvanise production, it will foster the adaptation and growth of local technologies.

6. We welcome the decision at the 27th United Nations Climate Change conference for new funding arrangements for assisting developing countries that are particularly vulnerable to the adverse effects of climate change, in responding to loss and damage.	We welcome the decision at the 27th United Nations Climate Change conference for new funding arrangements for assisting developing countries that are particularly vulnerable to the adverse effects of climate change, in responding to loss and damage, while underscoring that their conditions should preclude mechanisms that are debt-creating and additionally burdensome.	
7. We emphasize the importance of protecting, conserving and restoring nature and terrestrial and marine ecosystems, and the need to scale up biodiversity finance from all sources, and call for the timely implementation of the Kunming-Montreal Global Biodiversity Framework and the establishment of the Global Biodiversity Framework Fund.	We emphasize the importance of protecting, conserving and restoring nature and terrestrial and marine ecosystems, and the need to scale up new and additional biodiversity finance in accordance with Article 20 of the Convention on Biological Diversity ~~from all sources~~, and call for the timely implementation of the Kunming-Montreal Global Biodiversity Framework and the establishment of the Global Biodiversity Framework Fund, while considering the need for a dedicated financing mechanism for the Convention on Biological Diversity under the authority of the Conference of the Parties.	'New and additional' is important so that developed countries don't escape from their obligations nor open the door to private sector or innovative financial mechanisms. A dedicated fund for biodiversity under the COP was the request of many developing countries at the Biodiversity COP. It did not transpire, and the compromise at COP 15 promises an intersessional process to decide whether to create such a dedicated fund. The GBF Fund is only until 2030 unless otherwise decided by the COP. So if the text just stops where it is now, that it is not reflective of the gains won by developing countries at the Kunming-Montreal Global Biodiversity COP
8. We resolve to scale up public and private investments for sustainable industrial transformations to spur economic and productivity growth, decent job creation and to accelerate the energy and digital transitions. We reaffirm the importance of preserving existing policy space for developing countries and, in some areas, regaining lost policy space to pursue a	We resolve to scale up public and private investments for sustainable industrial transformations to spur economic and productivity growth, decent job creation and to accelerate the energy and digital transitions. We reaffirm the importance of preserving existing policy space for developing countries and, in some areas, regaining lost policy space to pursue a new generation of sustainable and inclusive	

new generation of sustainable and inclusive industrial policies. An unlevel playing field and the 'finance divide' must not undermine developing countries' ability to achieve sustainable industrial transformations.	industrial policies. An ~~unlevel~~ <u>inequitable</u> playing field and the 'finance divide' must not undermine developing countries' ability to achieve sustainable industrial transformations.	
9. We reaffirm our commitment to massively scale up our efforts to achieve gender equality and the empowerment of all women and girls. We reiterate the need for gender mainstreaming, including targeted actions and investments, in the formulation and implementation of all financial, economic, environmental and social policies and programmes.	'We reaffirm our commitment to massively scale up our efforts to achieve gender equality, <u>women's human rights</u>, <u>the realization of rights guaranteed by the CEDAW signed by 189 states (as of April 2022),</u> and the empowerment of all women and girls. We reiterate the need for gender mainstreaming, including targeted actions and investments, in the formulation and implementation of all financial, economic, environmental and social policies and programmes. <u>We highlight the need for greater investment in the care economy, the promotion of equal pay for work of equal value and the eradication of all forms of gender-based discrimination and violence in every sphere.</u>	The language in AAAA recognizes the importance of women's human rights, as stated in paragraph 6, that reads: "We reaffirm that achieving gender equality, empowering all women and girls, and the full realization of their human rights are essential to achieving sustained, inclusive and equitable economic growth and sustainable development. We reiterate the need for gender mainstreaming, including targeted actions and investments in the formulation and implementation of all financial, economic, environmental and social policies. We recommit to adopting and strengthening sound policies and enforceable legislation and transformative actions for the pro- motion of gender equality and women's and girls' empower- ment at all levels, to ensure women's equal rights, access and opportunities for participation and leadership in the economy and to eliminate gender-based violence and discrimination in all its forms."
10. We recall our commitment to strengthening social protection systems to reduce inequalities, eradicate poverty, build resilience to climate change and shocks, reduce disaster risk, support just	We recall our commitment to strengthening social protection systems <u>to achieve universal coverage</u> to reduce inequalities, eradicate poverty, build resilience to climate change and shocks, reduce disaster risk, support just and inclusive transitions	

and inclusive transitions and promote fair, equitable, inclusive and sustainable growth. We welcome the Global Accelerator on Jobs and Social Protection for Just Transitions and encourage Member States to consider supporting its implementation.	and promote fair, equitable, inclusive and sustainable growth. We welcome the Global Accelerator on Jobs and Social Protection for Just Transitions and encourage Member States to consider supporting its implementation	
11. We call upon Member States to continue to increase investment in inclusive and equitable education, including early childhood education, youth and adult literacy programmes or initiatives, digital education, skills enhancement and lifelong learning, particularly on educational investment, in line with the strengthening of social protection systems and respecting the rules and regulations and different educational systems of different countries.	We call upon Member States to continue to increase investment in inclusive and equitable education, including early childhood education, youth and adult literacy programmes or initiatives, digital education, skills enhancement and lifelong learning, particularly on educational investment, in line with the strengthening of social protection systems and respecting the rules and regulations and different educational systems of different countries, in alignment with commitments in the International Labor Organization and Agenda 2030.	
12. We reaffirm the need to enhance investments in quality, reliable, sustainable and resilient infrastructure, particularly in developing countries, in a manner that has the greatest social, economic and environmental benefits.	We reaffirm the need to enhance investments in quality, reliable, sustainable and resilient infrastructure, particularly in developing countries, and from public sources, in a manner that has the ~~greatest~~ equitable social, economic, labour and environmental benefits, without creating more debt.	
13. We commit to support the implementation of integrated national financing frameworks in alignment with nationally owned sustainable development strategies in order to further implement the Addis Ababa Action Agenda and recognize their potential to	We commit to support the implementation of the Addis Ababa Action Agenda ~~implementation of integrated national financing frameworks~~ in alignment with nationally owned sustainable development strategies in order to further the mandate of the Financing for Development agenda ~~implement the Addis Ababa Action~~	

contribute to further coordination between all relevant actors engaged in-country.	~~Agenda~~ and recognize their potential to contribute to further coordination and achievement of the 2030 Agenda between all relevant actors engaged in-country	
14. We recognize the importance of addressing the diverse needs and challenges faced by countries in special situations, in particular African countries, the least developed countries, landlocked developing countries and small island developing States, and countries in conflict and post-conflict situations, as well as the specific challenges faced by middle-income countries.		
Domestic Public Resources		
15. We recommit to strengthening the capacities of revenue administration and call upon the international community to scale up support for related technological, institutional and human capacity building to countries. We recognize that strengthening public financial management and budget execution can help to maximize the effectiveness of government expenditure.	We recommit to strengthening the capacities of revenue administration, including by promoting progressive taxation, and call upon the international community to scale up support for related technological, institutional and human capacity building to countries. We recognize that strengthening public financial management and budget execution, including gender transformative budgeting, can help to maximize the effectiveness of government expenditure.	
16. We welcome the decision to begin intergovernmental discussions in New York at United Nations Headquarters on ways to strengthen the inclusiveness and effectiveness of international tax cooperation, building upon progress already achieved in various fora. We note	We welcome the decision to begin intergovernmental discussions in New York at United Nations Headquarters on ways to strengthen the inclusiveness and effectiveness of international tax cooperation, including the possibility of developing an international tax cooperation framework or instrument that is developed and agreed upon through a United Nations intergovernmental process, taking into	- Delete "building upon progress already achieved in various fora". This is not agreed language in the resolution which is 'taking into full consideration existing international and multilateral arrangements'. - Add call for UNGA to adopt modalities for such a process at its 78th session.

the work of the Committee of Experts on International Cooperation in Tax Matters.	full consideration existing international and multilateral arrangements (Resolution 77/244) ~~building upon progress already achieved in various fora~~. We call on the UN General Assembly to adopt modalities for such a process at its seventy-eighth session. We emphasize that the intergovernmental discussion should consider all options including the possibility of developing a UN Convention on Tax through a Member State-led, open-ended ad hoc intergovernmental committee, while fully taking into account the different needs and capacities of all countries. We also emphasize that the intergovernmental process should be open to observers and informed by inputs from all relevant stakeholders. We ~~note~~ welcome the work of the Committee of Experts on International Cooperation in Tax Matters.	- Add reference to a UN tax convention, as initially tabled by Africa Group.
17. We call for the development of methodologies and guidelines for analyzing implicit gender bias in tax policies and systems.	We call for the development and reform of legislation, administrative and policy frameworks, methodologies and guidelines for analyzing implicit gender bias in tax and social security policies, macro-economic policies, debt sustainability, austerity measures, trade and international cooperation dynamics, financial markets and institutions, labour markets, private investment, climate and biodiversity finance, economic structures and systems to ensure women's and girls' equal rights and opportunities in political and economic decision-making and resource allocation.	In paragraph 41, AAAA goes further than methodologies and guidelines, and remains in the field of broader legislation and policy fields: "(...) undertake legislation and administrative reforms to give women equal rights with men to economic resources,(...)"
18. We stress that international tax and financial transparency instruments should focus on the needs and realities of developing countries, with mechanisms to ensure the least developed can benefit	We stress that international tax and financial transparency instruments should focus on the needs and realities of developing countries, with mechanisms to ensure the least developed can benefit from international cooperation. We call	With the agreement of intergovernmental negotiations towards a UN tax framework, all such negotiations towards tax and financial transparency instruments should be agreed

from international cooperation. We call for the speedy adoption of tools, such as beneficial ownership registries, that can assist all countries to prevent and combat illicit financial flows.	for the speedy adoption of tools, such as public beneficial ownership registries, that can assist all countries to prevent and combat illicit financial flows,. This should be the key focus in the upcoming intergovernmental discussions on ways to strengthen the inclusiveness and effectiveness of international tax cooperation, including the possibility of developing an international tax cooperation framework or instrument through a United Nations intergovernmental process. NEW Para: We remain deeply concerned with the continued biased tax blacklisting initiatives developed in limited membership forums.	through these UN negotiations which results in a strong UN Framework Convention on Tax. Such a UN process should also address unfair and biased tax blacklisting exercises such as the EU initiative. Latest EU tax blacklist: https://taxation-customs.ec.europa.eu/common-eu-list-third-country-jurisdictions-tax-purposes_en "Following this latest revision in February 2023, the EU blacklist includes the following sixteen jurisdictions: American Samoa, Anguilla, Bahamas, British Virgin Islands, Costa Rica, Fiji, Guam, Marshall Islands, Palau, Panama, Russia, Samoa, Trinidad and Tobago, Turks and Caicos Islands, US Virgin Islands, Vanuatu."
19. We recommit to preventing and combating illicit financial flows and strengthening international cooperation and good practices on assets return and recovery.		
Domestic and international private business and finance		
20. We emphasize the importance of developing dynamic domestic business sectors to achieve the SDGs by strengthening the enabling business environment.	We emphasize the importance of developing dynamic domestic business sectors to achieve the SDGs by strengthening an ~~the~~ enabling, regulated, and accountable business environment while protecting labour rights. We recognize the need to address market power of multinational enterprises as a barrier to the dynamism of domestic economies.	The 2023 FSDR notes that "economic power can also translate to political power" (page 78), stifling regulation. This limits policy choices, increases private rents, and enables market power for a few firms that dominate domestic markets. Under market power, smaller enterprises in the South are in many cases rather relegated to labour-intensive, low-waged, or resource-

		extractive segments, while corporate giants dominate production, and control research and development.
21. We will explore the full range of policy tools to overcome impediments to private investment. We will take steps to ensure micro-, small- and medium-sized enterprises (MSMEs) can access finance.	We will explore the full range of policy tools to overcome impediments to domestic private investment, while ensuring the primary role of public financing in development initiatives. We will take steps to ensure micro-, small- and medium-sized enterprises (MSMEs) can access finance within the context of broader national development strategies.	Consistent with addressing market power (see comment in paragraph 20) is the need to situate development of domestic production within country needs, vis-à-vis integrating MSMEs into de-regulated and increasingly volatile financial markets.
22. We stress the need for technical assistance and capacity-building support for investment promotion and developing project pipelines and bankable projects. We welcome the initiatives of the UN system on SDG financing and call upon it to advance innovative solutions that can unlock SDG investments, including through the SDG Investment Fair.	We stress the need for technical assistance and capacity-building support for investment promotion ~~and developing project pipelines and bankable projects~~ that can contribute to long-term democratically-owned development plans and priorities. We call upon ~~welcome the initiatives of~~ the UN system ~~on SDG financing and call upon it~~ to advance ~~innovative solutions that can unlock SDG investments, including through the SDG Investment Fair.~~ public policy options and regulations, towards situating the contributions of private business and finance in sustainable development and promoting structural transformation away from commodity dependence.	The 2023 FSDR estimates that public resources still account for 87 to 91% of infrastructure investment in the global South. The 2023 FSDR itself admits varied and already-existing risks with private finance and large business actors, which usually have the capital for “bankable projects” and so-called innovative solutions: green/SDG-washing (page 74, 87), exaggerated sustainability reporting (page 89), financing of fossil fuel companies (page 87), to the environmental and economic risks of extractive multinational enterprises (MNEs) in countries (page 79), among others. Clear risks exist, but these big private actors’ actual contributions are unsure, always discussed as potentials that are yet unmet. This should provide impetus to the expansion of public investment and options for transforming economies for sustainable development, rather than the narrower notion of “bankability”.
23. We welcome the continuing efforts of the Global Investors for Sustainable Development Alliance convened by the	~~We welcome the continuing efforts of the Global Investors for Sustainable Development Alliance convened by the Secretary-General to facilitate~~	Serious assessment is required to determine how much current initiatives are truly impactful or rather promoting blue washing, not to mention the

Secretary-General to facilitate the scaling up of private finance and investment for sustainable development through concrete guidance, products and instruments.	~~the scaling up of private finance and investment for sustainable development through concrete guidance, products and instruments.~~	conflicts of interest implicitly embedded in partnership with a sector that would rather need to be subjected to regulatory interventions (as also expressed in para 25).
24. We recognize that a key constraint to private sector investment in support of the Sustainable Development Goals in developing and emerging markets is the perceived and actual risk to investments. We note that credit ratings play an important role in international capital markets as they provide creditors with assessments of a debtor's relative risk of default. It is important that credit rating agencies ensure that their ratings are objective, independent and based on accurate information and sound analytical methods.	We recognize that a key constraint to private sector investment in support of the Sustainable Development Goals in developing and emerging markets is the predominantly short-termist behaviour of unregulated private investment ~~the perceived and actual risk to investments~~. We note that credit ratings play an important role in international capital markets as they provide creditors with assessments of a debtor's relative risk of default. It is important that credit rating agencies ensure that their ratings are objective, independent, ~~and~~ based on accurate information and sound analytical methods and refrain from using climate or biodiversity risk as a rating criterion. We decide to establish a universal, intergovernmental ECOSOC commission to ensure coordinated action in regulating Credit Rating Agencies.	The 2023 FSDR, like its 2022 iteration, still recognizes finance capital's short-termist behaviour as an issue (e.g., page 75, page 91 in 2023 FSDR). In the global South, private finance shirks at the sign of profit losses, driving capital flight especially under volatile global conditions. The said report also provides evidence about the "*risks*" of accompanying policy responses of de-risking, such as: unequal risk-reward sharing that benefits private interests, overleveraging, and the involvement of private actors even if it is not the cost-efficient solution (page 81). In addition to looking at the adequacy of CRAs rating methodologies and possible bias in its implementation that undermine developing countries' access to capital markets, CRA regulation would also need to focus on issues such as addressing conflicts of interest, promoting alternative structures to avoid quasi-monopolistic market dynamics, and tackling excessive reliance of investors on ratings. Such a commission should also further study recommendations such as establishing an international public credit rating agency at the UN that could provide long-term ratings as well as counterbalance the influence of private credit rating agencies.

		Joint civil society submission on Credit Rating Agencies: https://csoforffd.org/2020/12/03/submission-on-credit-rating-agencies/
25. We encourage strengthening company sustainability disclosure and the design of policy and regulatory frameworks in support of sustainable finance, through regulations and policies that better link and align profitability and sustainability. Sustainable investing must be made more credible, including by encouraging globally consistent and comparable sustainability rating methodologies.	We encourage ~~strengthening company sustainability~~ disclosure and the design of mandatory private sector policy and regulatory frameworks in support of sustainable finance, through regulations and policies that protect the public interest when ~~in better~~ linking ~~and align~~ profitability and sustainability. We recognize the need for developing mandatory business and human rights and environmental due diligence, and the accountability of violations at a binding treaty level, to ensure that practices do no harm to human rights, especially of workers, women, and Indigenous Peoples, and environmental protection objectives. [break into new para] Sustainable investing may ~~must~~ be made more credible, including by encouraging globally consistent and comparable sustainability rating methodologies. We recognize, however, that ESG investment strategies have their limitations as they are not designed to go beyond financial returns.	The language of "encouraging" … "rating methodologies" is weak. Greenwashing is rampant in this sector, giving the appearance of private sector action. Thus, the need is to call for actual financial regulations, not simply disclosure mechanisms. Governments still possess a public mandate to set policy directions. Less importance should be given to private businesses on creating conditions for sustainable development when this is in fact a question for public policy, and defining the place of private actors within public responses, including the need for accountability measures.
26. We reiterate our concern that remittance costs remain far above the SDG target of 3 per cent of the amount transferred, in line with target 10.c of the 2030 Agenda and the Addis Ababa Action Agenda, with the world average remittance transfer cost at 6.3 per cent. We express our concern at the continued decline in		

correspondent banking relationships, due to de-risking trends, and its adverse consequences on low-value remittance flows. We will work to reduce the average transaction cost of remittances. We recommit to taking concrete actions in that sense, including by adopting digital solutions for faster, safer and cheaper remittances as well as, promoting digital and financial inclusion and accelerating access to transaction accounts for migrants.		
International Development Cooperation		
27. We urge development partners to scale up and fulfill their ODA commitments, including the commitment by many developed countries to achieve the target of 0.7 per cent of gross national income for official development assistance (ODA/GNI) and 0.15 to 0.20 per cent of ODA/GNI to the least developed countries. We emphasize the need for grant finance and highly concessional finance for the most vulnerable countries.	We urge development partners to scale up and fulfill their ODA commitments, including the commitment by many developed countries to achieve the target of 0.7 per cent of gross national income for official development assistance (ODA/GNI) and 0.15 to 0.20 per cent of ODA/GNI to the least developed countries. We call on all donors to utilize additional resources to meet the agreed international targets; we encourage conservative reporting on flows for 2022 as they might be significantly affected by exceptional circumstances, such as the response to the Covid 19 pandemic and refugee assistance due to geopolitical crises. We emphasize the need for grant finance and highly concessional finance for the most vulnerable countries. (new para) To realize the Agenda 2030's ambitions, we call on providers not to inflate their	

	ODA volumes by reporting donations of Covid 19 in-excess doses, SDRs allocations, and spikes in in-donor refugee costs due to the on-going geopolitical crises.	
28. We welcome continued efforts to improve the quality, effectiveness, and impact of development cooperation and other international efforts in public finance.	We welcome continued efforts to improve the quality, effectiveness, and impact of all forms of development cooperation and other international efforts in public finance. (add new para) We call for a UN member-state led intergovernmental process on development cooperation that can protect the integrity and credibility of ODA statistics and ensure the impact of ODA in eradicating poverty and addressing inequalities.	UN member-state led intergovernmental process is needed to ensure norm-setting and accountability on issues related to development cooperation.
29. We stress the need to mainstream the inclusion of vulnerable groups in national development plans and in the development cooperation strategies of developing countries and their partners. We recognize the need to ensure that needed concessional resources are responding to current risks and targeting the most vulnerable.	We stress the need to mainstream the inclusion of differentiated actions to address the needs and interests of groups under vulnerable circumstances ~~groups~~ in national development plans and in the development cooperation strategies of developing countries and their partners. We recognize the need to address the prevailing challenge of shrinking civic spaces as a barrier to inclusion.	
30. We ask the Multilateral Development Banks (MDBs) to bring forward actions to mobilize and provide additional financing within their mandates, to support achievement of the SDGs, including through sustainable	We ask the Multilateral Development Banks (MDBs) to bring forward actions to mobilize and provide additional, public, non-debt creating, and non-conditional financing within their mandates, to support achievement of the SDGs, including through sustainable development and	The ongoing MDB efforts are far from looking good. The G20 CAF review pushed MDBs to launch reforms to increase lending amid crises. Despite the WB's supposed reform process, it's not veering away from their current operational and financing paradigms that over rely on private

development and infrastructure investments, and responding to global challenges. We support the G20-commissioned independent review of MDBs' capital adequacy frameworks, ongoing balance sheet optimization and MDB reform efforts.	infrastructure investments, and responding to global challenges. ~~We support the G20-commissioned independent review of MDBs' capital adequacy frameworks, ongoing balance sheet optimization and MDB reform efforts~~. We are determined to urgently reform the governance of the MDBs, through a UN member-state led intergovernmental process, including quota distribution, in order to build more inclusive and democratic institutions.	capital; the WB reform document openly endorses more blended finance for instance. The present calls for increased finance in MDBs need to address the debt sustainability problems that many global south countries have. While acknowledging the need for further resources to tackle the global challenges, particularly the climate emergency, there is a limit in the amount of debt that countries can accumulate. In order to truly address the shared but differentiated responsibilities regarding climate change and inequalities, global north countries need to prioritise grants over loans in their climate and development finance. MDBs won't respond to the real needs of global south countries unless these are equally represented in their governing bodies
31. We call for a new approach to blended finance in which the primary focus of all deals is development impact, rather than quantity or degree of leverage.	We call for a new approach to blended finance and other private sector instruments in which the primary focus of all deals is development impact, rather than quantity or degree of leverage, through binding criteria for eligibility and compliance with international labour, fiscal and environmental standards. (new para) We also note that this should be addressed through a UN member-state led intergovernmental process on development cooperation that ensures developing countries have equal voice and vote.	Addressing such challenges should be through a UN member-state led intergovernmental process on development cooperation to ensure that development impact is the central focus.
32. We welcome the progress and take note with appreciation of the interim report published by the High-level Panel on the Development of a Multidimensional Vulnerability Index for Small Island		

Developing States and look forward to the finalization of the work of the Panel.		
33. We welcome the mapping exercise to be conducted by the Secretary-General to provide a detailed overview of the current support available to middle-income countries.	(add new para) <u>We commit to following-up on the challenges to middle-income countries through a UN member-state led intergovernmental process on development cooperation</u>.	
34. We welcome the development of an initial conceptual framework for the measurement of South-South cooperation. We also acknowledge the importance of exploring possible options for the measurement of triangular cooperation.		
35. We note the challenges faced by developing countries graduating to higher income per capita status that may lose access to concessional finance. The Development Cooperation Forum should continue to review trends in international development cooperation, as well as policy coherence for development, including for least developed countries and graduated countries.		
International trade as an engine for development		
36. We recommit to the promotion of a rules-based, non-discriminatory, open, fair, inclusive, equitable and transparent multilateral trading system, with the	We recommit to the promotion of a rules-based, non-discriminatory, open, fair, inclusive, equitable and transparent multilateral trading system, with the World Trade Organization at its core, as well as meaningful trade liberalization	Given the threats to SDT including to self-designation of development status at the WTO, where developing countries are expected to make further market liberalisation without necessarily getting SDT (which is also being promoted in the

World Trade Organization at its core, as well as meaningful trade liberalization.	while integrating and expanding special and differential treatment (SDT) for developing countries including LDCs.	case of WTO reform), it is imperative to reaffirm this fundamental principle whenever the MTS, and specifically further trade liberalization, is being promoted.
37. We will intensify multilateral dialogue on current multilateral rules and agreements on investment, trade and technology to ensure a level playing field, balance national interests, and reduce negative spillovers from national policies.	We will intensify multilateral dialogue on current multilateral rules and agreements on investment, trade and technology to ensure a level playing field between developed and developing countries, balance national interests, and reduce negative spillovers from national policies by industrialized countries that adversely affect development trajectories of developing countries including LDCs.	It is necessary to clarify between whom the level playing field has to be ensured. It is also important to note that the negative spillover from national policies in the field of trade is most often caused by aggressive policies by developed countries such as; high agricultural subsidies; protectionist use of Non-Tariff Measures such as standards & technical barriers; IPR policies that restrict access to technology; which are in essence offensive policies. These are different from some essential defensive measures used by developing countries such as using government procurement to boost domestic industries especially MSMEs, non- actionable subsidies, permissible performance requirements, imposing tariffs up to bound levels, export restrictions to protect domestic food security or supply of medical products.
38. We welcome the agreement of World Trade Organization members to exempt food purchases by the World Food Programme for humanitarian purposes from export restrictions to address growing food insecurity.	~~We welcome the agreement of World Trade Organization members to exempt food purchases by the World Food Programme for humanitarian purposes from export restrictions to address growing food insecurity.~~	This is already agreed at WTO MC12. There is no specific need to highlight this further as this is not expected to increase global food security to a very significant extent. Moreover, this should not pave the way for further push to change rules on export restrictions beyond the existing WTO/GATT rules. Also if this decision is reaffirmed, other Decisions of interest to developing countries such as the one on the TRIPS Waiver and its commitment to extend the decision to diagnostics and therapeutics should also be reaffirmed.

39. We call upon the international community to support the efforts of and foster cooperation with commodity-dependent developing countries to address the factors that create structural barriers to international trade and impede diversification.	We call upon the international community to support the efforts of and foster cooperation with commodity-dependent developing countries to address the factors that create structural barriers to international trade and impede diversification including global trade rules that restrict domestic policy space for agricultural & industrial policies.	This is a positive direction and addresses a long-time need of many developing countries but the commitment remains very vague at the moment. In the area of trade, we need to specifically address trade rules that inhibit such diversification across developing countries by constraining critical policy space, for example, by; limiting subsidies and supportive policies to agriculture and industry; preventing protection of MSMEs; promoting IPR rules that restrict access to technology for industry and to seeds, and other necessary policies.
40. We call on MDBs and development finance institutions to help scale up trade finance and will seek opportunities in digital trade finance to help narrow the trade finance gap.	We call on MDBs and development finance institutions to help scale up trade finance and will seek opportunities in digital trade finance to help narrow the trade finance gap in a transparent manner, taking into account national circumstances and priorities, and on terms favourable to developing countries	This is positive but at the same time should be designed according to needs and circumstances of developing countries and not superimposed on them as extractive processes that forces them to concede national policy space as conditionalities.
	40bis. ADD NEW PARA We commit to elaborating a UN multilateral agreement for a coordinated and permanent termination of Investor-State Dispute Settlement (ISDS) mechanisms that has empowered transnational corporations to sue governments in confidential tribunals on a range of issues including debt, tax and increasingly climate action.	The 2022 IPCC report has flagged that Investor-State Dispute Settlement (ISDS) mechanisms risks blocking the phase out of fossil fuels. This in addition to several countries, particularly Global south countries, being sued on a range of issues including debt and tax.
Debt and Debt Sustainability		

41. We stress the urgency of finalizing the debt treatment of countries that have requested it under the Common Framework. We encourage the G20 and Paris Club creditors to provide greater clarity on the steps and timelines of the process, debt service suspension for the duration of negotiations to countries that request it, clarification on how comparability of treatment will be enforced, and to expand this coordinated approach to other countries in need of debt treatment.	We stress the urgency of finalizing the debt treatment of countries that have requested it under the Common Framework or through other debt restructuring processes, delivering sufficient debt cancellation and rescheduling, to achieve the SDGs. We are deeply concerned over the slow pace of the process, lack of participation of all creditors on a binding basis, particularly private and multilateral creditors, and that many developing countries remain excluded. ~~We encourage the G20 and Paris Club creditors~~, We commit to work towards the reform of debt treatment frameworks in order to provide greater clarity on the steps and timelines of debt restructurings ~~the process~~, debt service suspension for the duration of negotiations to countries that request it, clarification on how comparability of treatment will be enforced, and ~~to expand this coordinated approach to other~~ to include all countries in need of debt treatment.	Debt treatments should be sufficient for countries to be able to achieve the SDGs and cover climate action investment needs. Private sector is not secured and multilateral debt restructuring not even being considered in current G20 debt initiatives.
42. We encourage the G20 to commission an independent review and evaluation of past, existing and prospective debt treatment, including the Common Framework, with a view to develop an improved debt architecture.	We recognize that the existing tools and mechanisms are insufficient to provide long term solutions to the increasing debt vulnerabilities in a timely, orderly comprehensive and fair manner. We agree to establish an ad hoc open-ended member state-led intergovernmental working group under the auspices of the UN in order to initiate negotiations with a view to establishing a binding, UN multilateral legal framework on sovereign debt crisis resolution. ~~We encourage the G20~~ Such a UN intergovernmental working group ~~to~~ should commission an independent review and evaluation of past, existing and prospective debt treatment, including the	

	Common Framework, with a view to develop an improved debt architecture.	
43. We call for the development of an improved international debt architecture, to support debt payment suspensions, debt exchanges for longer maturities and lower coupons and/or haircuts, with an expansion of eligibility to all vulnerable countries in need. We stress that a concrete tool to incentivize, encourage, or enforce private creditors participation in debt treatments alongside the official sector to ensure comparable treatment of creditors is needed.	We call for the ~~development of an improved~~ reform of the current international debt architecture, ~~to~~ through the establishment of a multilateral debt framework under the auspices of the UN and the support for debt payment cancellations and/or suspensions, debt exchanges for longer maturities and lower coupons and/or haircuts, with an expansion of eligibility to all vulnerable countries in need, and including all creditors in the delivery of appropriate debt treatments. We stress that a concrete tool to incentivize, encourage, or enforce private creditors participation in debt treatments alongside the official sector to ensure comparable treatment of creditors is needed.	There is a need to transform the international debt architecture, not only improve it, and ensure UN is central to decision-making on issues on sovereign debt that allows Global South countries to have equal voice and vote. Debt payment suspension only moves the obligation to the future, which could be even worse for the developing countries. Debt cancellation should be considered in debt resolution. Civil society focuses on the need for a truly democratic, multilateral and inclusive UN intergovernmental process to discuss debt architecture reform and debt resolution, which should not happen in exclusive forums with the predominance of creditors, such as the G20 or the Paris Club.
44. We note that high vulnerabilities, as reflected in a multidimensional vulnerability index, could contribute to the calibration of debt relief needed to restore sustainability in the context of debt restructuring.	44. We note that high vulnerabilities, as reflected in a multidimensional vulnerability index, ~~could~~ should contribute to the calibration of debt relief needed to restore sustainability in the context of debt restructuring. We encourage the improvement of the debt sustainability analysis (DSA) by incorporating the analysis of multidimensional vulnerabilities. We therefore call for an open review of the approach to debt sustainability, through the establishment of a UN member-state led intergovernmental process towards a multilateral legal framework on addressing debt crises, in order to move towards a debt sustainability concept that has at its core	This index should be included in the current debt sustainability analysis and it should also be considered for a new SDR allocation in the future. We understand that DSA, as used by the IMF and World Bank, should be improved by incorporating the analysis of multidimensional vulnerabilities. We therefore call for an open review of the approach to debt sustainability, through a UN member state led intergovernmental process, in order to move towards a debt sustainability concept that has at its core environmental and climate vulnerabilities, human rights, gender and development

	environmental and climate vulnerabilities, human rights, gender and development considerations.	considerations. Debt sustainability evaluations must take into account a human rights-based approach, and consider the capacity to meet the needs for inclusive and sustainable recovery, to meet the SDGs and tackle adaptation and mitigation imperatives brought by the climate emergency.
45. We call for greater efforts to foster debt sustainability, including by strengthening information-sharing and transparency among all creditors and borrowers and scaling up technical assistance in debt management, and developing "solvency focused" debt sustainability assessments.	45. We call for greater efforts to foster debt sustainability, including by strengthening information-sharing and transparency among all creditors and borrowers - by creating an open public debt registry housed in a permanent and independent institution, under the UN auspices -, ~~and~~ scaling up technical assistance in debt management, and developing ~~"solvency focused"~~ new approaches to debt sustainability assessments (DSA) , without neglecting multidimensional vulnerabilities.	
46. We acknowledge that state-contingent debt instruments could further strengthen borrower resilience and encourage consideration of their use where appropriate, with a view to provide breathing room to countries hit by shocks. We welcome the development of climate resilient debt clauses by official creditors in this regard.	We acknowledge that state-contingent debt instruments could further strengthen borrower resilience and encourage consideration of their use where appropriate, with a view to provide breathing room to countries hit by shocks. We welcome the development of climate resilient debt clauses by official creditors in this regard. We support the establishment of an automatic mechanism, available for all countries, for debt payments standstill in the wake of an external catastrophic shock, including climate, geologic, health or economic, followed by debt restructuring considering the impacts of the external shock.	

47. We call for scaling up debt for SDGs swaps, including debt for climate and nature swaps, to allow developing countries to use debt service payments for investments in sustainable development.	While recognizing their limited impact to reduce debt sustainability issues, we call for scaling up debt for SDGs swaps, including debt for climate and nature swaps, to allow developing countries to use debt service payments for investments in sustainable development. Debt swaps should always be additional to existing climate finance and development aid commitments. Private, bilateral and multilateral creditors should provide an equivalent share of debt haircut also in the case of debt swaps.	
48. We take note of the IMF and WB initiative to establish a Global Sovereign Debt Roundtable to complement other workstreams in addressing debt challenges amongst key stakeholders and we call upon the international community to strengthen inclusive dialogues and mechanisms on sovereign debt to advance the discussion on debt transparency, responsible lending and borrowing and the rules of engagement, including with the private sector, and debt crisis resolution.	~~We take note of the IMF and WB initiative to establish a Global Sovereign Debt Roundtable to complement other workstreams in addressing debt challenges amongst key stakeholders and we call upon the international community to strengthen inclusive dialogues and mechanisms on sovereign debt to advance the discussion on debt transparency, responsible lending and borrowing and the rules of engagement, including with the private sector, and debt crisis resolution.~~	We welcome the interest of various creditors and stakeholders and platforms to tackle the growing sovereign debt problems, but we are equally concerned about the lack of inclusiveness of certain initiatives, such as the IMF and WB Sovereign Debt Roundtable. We call upon UN member states to ensure truly inclusive, democratic and transparent dialogues on sovereign debt, to advance the discussion on debt architecture reform, debt cancellation, debt transparency, private sector binding engagement, and responsible lending and borrowing rules through a UN binding legal framework.
Addressing systemic issues		
49. We call upon Member States to explore ways to effectively utilize SDRs, such as encouraging unused SDRs to be more quickly re-channelled, including through MDBs, and discussing how to ensure timely counter-cyclical issuance of SDRs	We call upon Member States to explore ways to effectively utilize SDRs, such as encouraging unused SDRs to be more quickly re-channelled through non debt creating and unconditional contributions, ~~including through MDBs~~, and discussing how to ensure timely, automatic and regular counter-cyclical issuances of SDRs when	Re-channeling of SDRs through the IMF in particular is attached to conditionality that is typically centred on fiscal austerity and generates debt. However, SDRs in and of themselves are non-debt creating and unconditional reserve asset. The full potential of SDRs is regular and

when there is a long-term global need to supplement existing reserve assets.	there is a long-term global need to supplement existing reserve assets.	countercyclical issuances to preserve financial stability, not only in times of fiscal gaps.
50. We call for the expansion of regional mechanisms to increase liquidity, including through enhancing regional financing arrangements and making central bank swap lines more widely available.	We call for the expansion of regional mechanisms to increase liquidity, including through enhancing regional financing arrangements and making central bank swap lines ~~more widely~~ available to all developing countries.	Central bank swap lines, most recently during Covid pandemic in 2020-2021, typically are not extended to countries that are not financially systemic. Such an extension, in ways that do not result in speculation, could/would be beneficial.
51. We call upon regulators and central banks to consider incorporating climate change and other environmental factors coherently into their macroprudential financial stability frameworks, financial regulations and central bank operations in line with existing mandates.	We call upon regulators and central banks to consider incorporating climate change and other environmental factors coherently into their macroprudential financial stability frameworks, financial regulations and central bank operations in line with existing mandates, in a manner that does not penalize climate vulnerable developing countries.	Incorporating climate change and environment into macroprudential frameworks can be dangerous if it penalizes climate vulnerable developing countries by raising borrowing rates or reducing the scale of financing.
52. We reiterate the importance of international financial institution and multilateral development bank governance reform in order to adapt to changes in the global economy. We further support this reform as a key to improving terms of lending, including by enabling long-term lending for large scale SDG-related investments.	We reiterate the importance of international financial institution and multilateral development bank governance reform in order to adapt to changes in the global economy through a UN member-state led intergovernmental negotiation process. We further support UN member state led ~~this~~ governance reforms as a key to improving terms of lending, including by enabling long-term grants and concessional lending for large scale SDG-related investments.	Governance reform is critical for a fundamental reform of the Bretton Woods Institutions. Governance power in the IMF's Executive Board is disproportionately skewed towards rich countries, where rich countries hold over half of the voting power and developing countries, which together constitute 85 per cent of the world's population, have a minority share (IMF 2022). For example, for every vote that the average person in the global North has, the average person in the global South has only one-eighth of a vote (Hickel 2018).
Science, technology, innovation and capacity building		
53. We commit to creating conducive domestic and international environments	We commit to creating conducive domestic and international environments to foster technological capabilities and promote inclusive structural	

to foster technological capabilities and promote inclusive structural change.	change, while promoting human and labour rights.	
54. We welcome the role of financial innovation and technology in enhancing financial inclusion, including the need for access, usage, and quality of financial services for people and MSMEs, while recognizing the need to tackle its associated challenges, especially for women who are disproportionately affected by such challenges.	We welcome the role of financial innovation and technology in enhancing financial inclusion, including the need for access, usage, and quality of financial services for people and MSMEs, while recognizing the need to tackle its associated challenges, especially the risks of unregulated digital financial services and lack of adequate and appropriate infrastructure and access to devices, particularly for women in developing countries, affected by such challenges. ~~especially for women who are disproportionately affected by such challenges~~	
55. We will redouble our efforts to ensure universal and affordable Internet access, through enhancing investment in digital infrastructure, digital skills training and digital literacy, as well as through targeted policies.	We will redouble our efforts to ensure universal and affordable Internet access, through enhancing investment in digital infrastructure, digital skills training and digital literacy, as well as through targeted policies to govern data and privacy rights, as well as rules to ensure labour and union rights for homebased, platform and remote workers.	
56. We reiterate the need to accelerate the transfer of environmentally sound technologies on favourable terms, including on concessional and preferential terms, as mutually agreed.	We reiterate the need to accelerate the transfer of environmentally sound technologies on favourable terms, including on concessional and preferential terms, as mutually agreed. We also decide to establish a UN member-state led global technology assessment mechanism that is transparent and participatory to assess the impacts of digital technologies on society, the environment and people.	As CS FfD Mechanism, we are deeply concerned with the multistakeholder process on Global Digital Compact. The proposal echoes the recommendation of the UNSG's High Level Panel of Experts on Digital Cooperation which was co-chaired by key personalities in Big Tech. The Panel's recommendations, fully adopted by the UNSG in his Road Map for Digital Cooperation published in June 2020, revolve around the central role of the private sector in addressing the digital divide

		and harnessing the potentials of digital technologies. Instead of enabling the self-serving push from Big Tech, the UN should support inclusive member state led processes to address the development divide that underpins the digital divide, to regulate and curb the growing powers and wealth of Big Tech and ensure that human rights are respected. To protect the integrity of decision making on the global governance of digitalization, measures against conflict of interest should be adopted similar to the ones at the WHO. To address the adverse consequences of digital technologies on society, the environment and people, the UN should establish a transparent and participatory member state led process to evaluate new technologies.
Data, monitoring and follow-up		
57. We call on the international community to scale up funding for data and statistics and for stakeholders to work together to close SDG data gaps. We will continue to strengthen our efforts to collect, analyse and disseminate relevant and reliable data, disaggregated by sex, age, disability and other characteristics relevant in national contexts, for better monitoring and policymaking to accelerate the achievement of the 2030 Agenda.		

58. We take note of the work of the UN High-level Committee on Programmes Core Group on Beyond GDP for metrics that go beyond GDP and reaffirm our call to engage in intergovernmental discussions in consultation with relevant stakeholders.		
59. We take note with appreciation of the Financing for Sustainable Development Report 2023 and request the Task Force to issue an advance unedited version of its 2024 report, no later than the end of February 2024.		
60. We request the Inter-Agency Task Force on Financing for Development to present in its next report an assessment on progress made in the implementation of the Monterrey Consensus, the Doha Declaration and the Addis Ababa Action Agenda, identifying obstacles and constraints encountered in the achievement of the goals and objectives agreed therein, with a view to informing an inclusive informal dialogue on all issues related to a potential fourth international conference on financing for development.	~~We request the Inter-Agency Task Force on Financing for Development to present in its next report an assessment on progress made in the implementation of the Monterrey Consensus, the Doha Declaration and the Addis Ababa Action Agenda, identifying obstacles and constraints encountered in the achievement of the goals and objectives agreed therein, with a view to informing an inclusive informal dialogue on all issues related to a potential fourth international conference on financing for development~~.	As CS FfD Mechanism, we are deeply concerned with the IATF reports that represents a politically negotiated document between Secretariats of different agencies and institutions, largely dominated by interests of the Global North and primarily concerned with maintaining the current institutional status quo. The reports have been particularly weak on governance reforms and institutional re-architecture, which are critical dimensions for Global South countries in the FfD process. When preparing the process for the potential for FfD4, we call on UN member states to explore better mechanisms for laying the foundational analyses for the structural transformation of Global South countries and the necessary re-architecture of global economic governance.
61. The United Nations and the forum on financing for development follow-up, in coordination with all relevant actors, have critical roles to play in harnessing and		

shaping international consensus in order to address the extraordinary challenges.		
62. We recognize that 2023 marks a key year in the follow-up to and review of the 2030 Agenda for Sustainable Development and the Addis Ababa Action Agenda, which will allow us to take stock of progress made and step-up ambition and action. We look forward to the high-level political forum on sustainable development convened under the auspices of the Economic and Social Council, the Sustainable Development Goals Summit[1] and the High-level Dialogue on Financing for Development under the auspices of the General Assembly, and the preparatory ministerial meeting on the Summit of the Future, and stress the importance of ensuring coherence in discussions as they relate to financing for development.		
63. We encourage strengthened collaboration and dialogue between the UN, the international financial institutions, and the Group of 20. In this regard, we take note of the Secretary-General's proposal for convening a biennial summit to promote a more sustainable, inclusive and resilient global economy.	~~We encourage strengthened collaboration and dialogue between the UN, the international financial institutions, and the Group of 20. In this regard, we take note of the Secretary-General's proposal for convening a biennial summit to promote a more sustainable, inclusive and resilient global economy.~~	The IFIs are technically part of the UN system and it not appropriate to refer and encourage dialogue with any partial sub-group of UN Member States. The only way to make the global economy more inclusive against its illegitimate appropriation by a handful of powerful countries is to democratize global economic governance through UN member-state led intergovernmental processes.

[1] High-level political forum on sustainable development convened under the auspices of the General Assembly (Sustainable Development Goals Summit).

		Link to CS FfD Mechanism's critique of the SG's Our Common Agenda, including the proposal for the Biennial Summit which we strongly reject: https://csoforffd.org/2022/01/19/response-to-un-secretary-generals-our-common-agenda-report/
64. We welcome GA resolution 77/156 and look forward to deliberations on convening a fourth international conference on financing for development in 2025, as well as the development of the corresponding modalities for this conference.		
65. We look forward to the report of the Secretary-General to be submitted to the General Assembly at its seventy-eighth session presenting emerging challenges and key accelerators for financing for development that may be relevant for future discussions in the framework of the Economic and Social Council forum on financing for development follow-up and on a fourth international conference on financing for development.		
66. We decide that the 9th Economic and Social Council Forum on Financing for Development follow-up will convene from 22 to 26 April 2024 and will include the special high-level meeting with the Bretton Woods institutions, the WTO and the UNCTAD.		