**Addis Ababa Accord**

**General statements: see** [**http://www.un.org/esa/ffd/ffd3/events/second-drafting-session.html**](http://www.un.org/esa/ffd/ffd3/events/second-drafting-session.html)

# I. A global framework for financing sustainable development

**Groups:**

**EU**

* Title: The Addis outcome should be integrated**,** so that MoIs can serve the entire post-2015 agenda and as such address all three dimensions – economic, environmental and social – of sustainable development in a balanced and integrated fashion, thereby constituting the MoI pillar of a single post-2015 agenda. However, the section often appears to run on a parallel track, in abstraction of the broader post-2015 process. A very first step to remedy this would be to rename it: "Implementing the sustainable development agenda".

1. 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 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.

**Groups:**

**G77 & China**

* 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. **We reaffirm and build on the 2002 Monterrey Consensus and the 2008 Doha Declaration**. Our ~~ambition~~ **goal** is to eradicate poverty and hunger, to achieve equitable and sustained economic growth and **promote** sustainable development, to protect the environment, and to promote peaceful and inclusive societies where no one is left behind as **we advance to a fully inclusive and equitable global economic system**. We commit to ensure gender equality **and empowerment of women and equality of persons with disabilities, social inclusiveness** and **to respect and fulfill** ~~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 **particularly in developing countries**, while preserving the planet for our children and future generations.

**EU**

* The Addis outcome should be comprehensive, and address the whole range of Means of Implementation required for the post-2015 agenda, including both enabling policy environment and financial resources and instruments. Moreover, this para should explicitly refer to the three dimensions of sustainable development. Finally, it should underline the centrality of development effectiveness, and the fact that development effectiveness principles are applicable to all categories of development finance, all means of implementation and all actors.

**AOSIS**

* It is the position of the Alliance that the concept of “sustainable development” be maintained.
* The FfD3 outcome document needs to go beyond the scope of Doha and Monterrey, to reflect the current view of Member States since Rio+20 that ‘sustainable development’ is the basis for all development.[[1]](#footnote-1) The SDG’s and the Post-2015 Development Framework is founded on this basis. If FfD is truly complementary to this process, then it must recognize the evolution of this principle. For SIDS, it is particularly important to acknowledge that the Addis framework extends to financing for sustainable development, and will integrate all three dimensions—economic, social and environmental. Further, one of the primary accomplishments of the FfD Process should be the clear understanding that no vulnerable nation will be left behind and that the holistic nature of development is recognized.

**G77 Members:**

**Brazil**

* Must fully reaffirm need to build on Monterrey and Doha and global perspective
* CBRD must be factored either here or OP 8

**Saudi Arabia**

* Last 4 lines should be deleted

**Other Member States:**

**Canada**

* We would note, consistent with our longstanding position, that Canada recognizes it is the individual who is the subject of the right to development.

**Liechtenstein**

* [..] to protect the environment, and to promote **good governance, the rule of law and** peaceful and inclusive societies [..]

**Mexico**

* [..] Our ambition is to eradicate poverty and hunger **in this generation, and to achieve sustainable development, through** equitable and sustained economic growth [..]
* [..] All people **have the right** to raise their standards of living [..]

**Switzerland**

* […] to protect the environment, and to promote peaceful and inclusive societies **for all women and men, girls and boys** where no one is left behind. [..]
* [..] Our ambition is **sustainable development by eradicating poverty and hunger, achieving equitable and sustainable economic growth, protecting the environment, and promoting peaceful and inclusive societies where no one is left behind**. [..]

2. 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.

**Groups:**

**G77 & China**

* ~~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~~.
* **2alt. We reaffirm that the third International Conference on Financing for Development 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, including in the context of the recent multilateral efforts to promote international development cooperation, taking into account the current evolving development cooperation landscape, the interrelationship of all sources of development finance, 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; (OP7 68/279)**
* **2altbis. In September of this year, the United Nations will host a Summit to adopt an ambitious and transformative post2015 development agenda, including Sustainable Development Goals (SDGs) underpinned by credible means of implementation and follow-up process . 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. Our task is also 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 post2015 development agenda; and to ensure that the actions we agree to are implemented and reviewed in an appropriate, timely and transparent manner**

**EU**

* Should refer to the universality of the post-2015 sustainable development agenda

**AOSIS**

* AOSIS supports the deletion of paragraph 2 and the G77 proposal of 2alt and 2altbis.
* AOSIS seeks an outcome document with actionable and meaningful commitments that States will be held accountable for. Implementation, follow-up and review are critical to this purpose, and should therefore be mentioned early on in the outcome document

**G77 Members:**

**Brazil**

* Not balanced and less comprehensive than A/RES/68/279, OP 7

**Philippines**

* The overall agenda and objective of the subject Conference is essentially to reaffirm and build on the Monterrey Consensus on Financing for Development and the Doha Declaration on Financing for Development. Thus, the follow-up on commitments made in Monterrey and Doha should initially be based on a prudent assessment of the accomplishments made to date, along with identification of the issues and binding constraints that may have hindered or delayed the achievement of the goals that were set/agreed therein. Furthermore, the thrust to move forward towards further strengthening the global framework for financing may be facilitated by also taking into account the new and emerging challenges and the ever evolving landscape for development cooperation and financing instruments.

**Saudi Arabia**

* [..] forward-looking **financing** framework and to [..]

**Other Member States:**

**Germany**

* Para should emphasize relationship with post-2015 development agenda, including the follow-up framework and the relation to the High-level Political Forum
* Should stress that the Addis Ababa outcome is the one and only means of implementation pillar of post-2015

**Liechtenstein**

* [..] to **effectively** follow-up on **the implementation of** commitments [..]

**Mexico**

* [..] to further strengthen the framework to finance sustainable development and **to make a robust contribution to identify** the means of implementation for the universal post-2015 development agenda **in those areas within its realm**; and to ensure [..]

**Russia**

* [..] will host an ambitious ~~and transformative~~ post-2015 development agenda[..]
* [..] and the 2008 Doha Declaration **on Financing for Development**. [..]

3. We recognize that the world has changed significantly since the adoption of the Monterrey Consensus. Economic activity and financing flows have increased substantially. We have made great strides in mobilizing financial and technical resources for development and advances in technology and innovation provide us with ever more tools. Many countries have achieved important economic and social progress. We have strengthened our policy and regulatory frameworks. The developing countries share in world trade has increased, and the debt burden in many heavily indebted poor countries has been reduced.

**Groups:**

**G77 & China**

* Suggest deletion

**EU**

* We welcome upfront recognition that the world has changed. But these changes should then be better operationalised in the rest of the document. The zero-draft does not fully capture the paradigm shift towards a universal agenda that has taken place since Monterrey and that the SDGs will concretely reflect, and remains overly premised on an outdated North-South understanding of the world. We will only be able to fulfil the ambition of the post-2015 agenda through joint efforts, i.e. commitments from all according the national capabilities.

**LDCs**

* We recognize that the international context has changed in profound ways since we met in Monterrey and Doha. There has been progress in some areas, but inequality has widened. Some countries have made significant progress in the areas of socio-economic development and mobilization of resources, while LDCs have further been marginalized.

**G77 Members:**

**Brazil**

* Not acceptable, does not correspond to reality

**Saudi Arabia**

* Delete first sentence

**Other Member States:**

**Switzerland**

* [..] Many countries have achieved important economic and social progress **as well as environmental protection**. [..]
* [..] We have made great strides in mobilizing financial and technical resources for **sustainable** development and advances in technology and innovation [..]

**Turkey**

* Paras 3 and 4 need to be connected
* Delete second sentence in paragraph

4. 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, climate change and other global risks threaten to undermine past successes and future prospects.

**Groups:**

**G77 & China**

* ~~Current~~~~policy, financing, and investment patterns are not~~ **Public policies and regulatory frameworks are key to** deliver~~ing~~ 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 **due to the lack of regulation and accountability**, **which even today has adverse effects on all countries, especially small and developing economies of the South**. Some **developing** countries have fallen further behind, and inequalities have increased **among and within countries**. 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. **We call on developed countries to take the lead in addressing**~~environmental concerns, climate change and other~~ global risks **which** threaten to undermine past successes and future prospects **including environmental concerns and climate change**.

**EU**

* This para should cover both financial and non-financial Means of Implementation. And its narrative should be more positive: the global economy is large enough to implement the post-2015 agenda, but resources are not always directed to sustainable development priorities. We should mention that multilateralism is a key factor of success.

**AOSIS**

* AOSIS supports the G77 proposals for this paragraph.
* It is a priority for AOSIS to maintain references to climate change and the environmental dimension of sustainable development throughout the text, given their importance and relevance to SIDS’ financing needs.

**G77 Members:**

**Brazil**

* Must not prejudge UNFCCC negotiations

**Saudi Arabia**

* Highlight that developing countries are being affected the most by the current global situation

**Other Member States:**

**Germany**

* add reference to subnational level
* add reference to national inequality

**Iceland**

* [..] Environmental concerns, climate change **often resulting in sea-level rise** and other global [..]

**Mexico**

* However, **many steps from all development stakeholders, including Governments at all levels, International Organizations, the private sector, and civil society organizations, are still needed to ensure that** the current policies, financing and investment patterns **deliver on the vision of** the future we want. **Even though** there are enormous unmet financing needs for sustainable development, **these can be met if global public and private savings are properly channeled to finance projects with a high development impact.** Estimates vary [..]

**Russia**

* [..]The 2008 **world** financial **and economic** crisis exposed [..]
* [..] Environmental ~~concerns~~ **challenges**, climate change [..]

**Switzerland**

* [..] Some countries have fallen further behind, **and inequalities have increased and inequalities between women and men remaining pervasive in every country in the world**. [..]
* [..] Environmental **degradation**, climate change and **other** environmental risks threaten to undermine past successes and future prospects. [Reason: Very unspecific. In addition, environmental risks are not only global, but often also regional or local.]

**Turkey**

* To link better with paragraph 3, start with:
* **While these advances have facilitated great progress in reducing global poverty and in the collective effort to achieve the Millennium Development Goals, the policy actions are not complete. At the same time, new challenges have arisen. Inequalities within many countries have been increasing. Global growth has moderated, and is projected to remain subdued. The global financial crisis exposed risks and underlying vulnerabilities in the international financial system. Indeed, volatility is the new normal in our highly interconnected world.** Current policy […]

5. 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.

**Groups:**

**G77 & China**

* **Achieving the international agreed development goals inducing those contained in the MDGs as well as the SDGs, to be adopted in September of this year demand a renewed and scaled up global partnership for development between developed and developing countries** ~~Yet,~~ solutions can be foundthrough strengthening **the critical role of public policies and** official finance **at all levels**, unlocking the transformative potential of people and the private sector while ensuring that investment  **production and consumption** patterns support sustainable development, **particularly through** ~~and by~~ **the strengthening** national and international policy environments. We recognize that effective policies, regulatory frameworks and appropriate incentives, **closing technology gaps and scaling up capacity building** at all levels are essential for the shift towards sustainable development **and orient the production and consumption patterns towards a people centered development**. We reaffirm the importance of freedom, **national sovereignty,**~~peace and security, good governance, rule of law~~, **inclusive social policies,** sound economic policies, ~~and~~ solid democratic institutions at the national and international levels, **good governance, rule of law and peace and security**. 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.

**EU**

* We welcome the language on policy and the reference to policy coherence. We would also want to include here a generic reference to anti-corruption, an issue which has cross-cutting significance. The policy dimension should be significantly strengthened in the document. To fully capture this dimension, we call for strengthening the policy text under each section and adding a new chapter on the enabling environment upfront. That chapter should highlight the full range of non-financial Means of Implementation and ensure that they are framed as both as means for the mobilisation of resources and as ends in themselves. It should also highlight the importance of national sustainable development strategies. It could expand on:
  + Sound policy and regulatory environments, including effective legislative and regulatory frameworks, as means to implement the post-2015 agenda.
  + The role of good governance and effective and inclusive institutions – at all levels, including effective systems for budgeting, monitoring expenditure and tackling corruption – to develop transparent policies based on the rule of law and human rights, fostering non-discrimination, gender equality and women's empowerment, as well as sustainable management of natural resource and environmental protection, accountability and the involvement of civil society.
  + The potential of combining regulatory and economic instruments; other key policy levers include sustainable public procurement, the gradual elimination of environmentally harmful subsidies and promoting solutions that respect planetary boundaries, protect ecosystems and biodiversity, are climate-smart and contribute more effectively to poverty eradication and sustainable development.
  + The importance of social inclusion and decent work, including implementation of labour standards, adequate social protection floors and, generally, investment in human capital.
  + The centrality of policy coherence at all levels by all countries. All policies should coherently contribute to sustainable development, both domestically and internationally; all countries should commit to assessing the impact that their policies have on poorer countries.

**G77 Members:**

**Saudi Arabia**

* [..] We recognize that effective policies, regulatory frameworks and appropriate incentives at all levels are ~~essential~~ **critical** 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 encourage countries** ~~We commit~~ to pursue policy coherence for sustainable development at all levels ~~and by all actors~~.

**Other Member States:**

**Germany**

* Add reference to subnational level

**Japan**

* Strengthen the language on effectiveness of institutions

**Mexico**

* Add para 5 bis.: **In this context, countries’ efforts will need to be boosted by coherent and mutually supporting world trade, monetary and financial systems, better processes to globally develop and share appropriate technologies, capacity building, appropriate legal and contractual frameworks to support debt sustainability, and strengthened global economic governance. We reaffirm the importance of freedom, peace and security, domestic stability, respect for human rights, including the right to development, and the rule of law, gender equality, good governance, rule of law, sound economic policies and solid democratic institutions at the national and international levels.**

**Russia**

* Yet, solutions can be found through strengthening **domestic resource mobilization and** official **development assistance** ~~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.~~ **We reaffirm our commitment to sound policies, good governance at all levels. We reiterate the importance of freedom, peace and security, respect for all human rights, including the right to development, the rule of law, gender equality and an overall commitment to just and democratic societies for development, as spelled out in the Monterrey Consensus .** 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.

**Switzerland**

* […] We commit to pursue policy coherence for sustainable development at all levels and by all actors **by strengthening the capacity of governments to implement coherent and mutually supportive policies to achieve the SDGs in time; in ways that balance economic, social and environmental goals; comply with international public law; consider domestic and international effects of policies; and support long-term sustainability.**

6. We reaffirmthat 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.

**Groups:**

**G77 & China**

* We reaffirmthat 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 **and social** policies and agree to implement transformative actions to ensure women’s equal rights, access and opportunities for participation and leadership in the economy.

**EU**

* We welcome the cross-cutting reference to gender

**G77 Members:**

**Saudi Arabia**

* [..] to ~~ensure p~~**romote** women’s ~~equal~~ rights, access [..]

**Other Member States:**

**Iceland**

* [..] women’s empowerment are **basic human rights, fundamental values and issues of social justice. They are** essential to achieve [..]

**Israel**

* [..] opportunities for participation, **increased opportunities for entrepreneurship and decent work** and leadership in the economy.

**Mexico**

* [..] implementation of financial, **budgetary** and economic policies [..]

**New Zealand**

* We reaffirm that **empowering women and girls and achieving gender equality** are essential [..]
* [..] implementation of **all economic policies to ensure women’s equitable access, participation, leadership and benefits**.

**Russia**

* [..] agree to implement ~~transformative~~ actions to ensure women’s equal rights, access and opportunities for participation ~~and leadership~~ in the economy.

**Switzerland**

* We reaffirm that gender equality, and women’s empowerment **and the full realization of the human rights of women and girls** 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. **Gender equality is also a means for financing sustainable development and we therefore ~~and~~** agree to implement transformative actions to ensure women’s equal rights, access and opportunities for participation and leadership in the economy **and their role as drivers and agents of development.**
* […] access and opportunities for participation and leadership in the economy **and society in general.**

7. 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.

**Groups:**

**G77 & China**

* Cohesive, national sustainable development strategies **owned and designed by national governments** to facilitate**,** sustainable and stable **economic** growth, **inclusive and sustainable industrialization,** structural transformation, social inclusion and environmental **protection** ~~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 **policy space** and that the role of national policies, domestic resources and development strategies cannot be overemphasized.**In this sense where existing national strategies, plans and budgets reflect these issues, preparing a separate strategy is unnecessary.** **At the same time, domestic economies are now interwoven with the global economic system and, inter alia, the effective use of trade and investment opportunities can help countries to eradicate poverty and to achieve the SDGs. National development efforts need to be supported by an enabling international economic environment**.

**EU**

* The reference to the primary responsibility of each country for its own development should stay.

**G77 Members:**

**Brazil**

* Should refer to adequate means of implementation at national and global level

**Ethiopia**

* National sustainable development strategies should refer to existing national plans where countries already have them rather than appear to create a new set of plans

**Saudi Arabia**

* Cohesive, national sustainable development strategies to facilitate sustainable and stable growth, structural transformation, social inclusion and ~~environmental~~ sustainability **in all its aspects—environmental, social and fiscal—** supported ~~by integrated national financing frameworks, will be~~ at the heart of our efforts to implement the post-2015 development agenda. [..]

**Other Member States:**

**Canada**

* We appreciate the emphasis placed on each country having primary responsibility for its own economic and social development. We see this as reflecting the overall approach taken within the negotiations on the Post-2015 Development Agenda.

**Germany**

* Urbanization is not well reflected

**Iceland**

* [..] supported by **evidence-based assessments and** integrated national financing frameworks [..]

**Mexico**

* [..] integrated **and comprehensive** national financing frameworks
* [..] implement the post-2015 development agenda **at the national and subnational level**.

**Switzerland**

* Cohesive, national sustainable development strategies to facilitate sustainable and stable growth, structural transformation, social inclusion and environmental sustainability, supported by **country-initiated and inclusive assessments**, and 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 **as well as protection of its natural resources** and that the role of national policies, domestic resources and **sustainable** development strategies cannot be overemphasized.

8. 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), LLDCs (LLDCs) and 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 LLDCs, and the New Partnership for Africa’s Development.

**Groups:**

**G77 & China**

* 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**n enhanced** ~~new~~ global partnership for sustainable development, based on ~~efforts and responsibilities shared by all, taking into account~~ **common but differentiated responsibilities and** different national realities **capacities and level of development** and needs and the differentiated impacts of national policies on global sustainable development prospects. **(to be placed at the end of 7)**
* **8bis.** We ~~acknowledge~~ **recognize** the needs of countries in special situations, including least developed countries (LDCs), LLDCs (LLDCs) and small-island developing States (SIDS), **Africa**, countries in conflict and post-conflict situations, **countries and people living under foreign occupation** ~~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 Vienna Programme of Action for LLDCs,** the SAMOA Pathway, ~~the Vienna Programme of Action for LLDCs~~, and **agenda 2063 and its embedded continental programmes including** the New Partnership for Africa’s Development.**(to become 8 ter)**
* **8ter. We reaffirm strengthened and scaled up global partnerships for sustainable development with the understanding and recognition that LDCs, as the most vulnerable group of countries, need enhanced global support and appropriate mechanisms at all levels for the achievement of the Post-2015 development agenda and SDGs. We recognize that LDCs would need additional, preferential, concessional and most favorable treatment for their access to markets, finance, technologies, know-how and other resources and differential and flexible treatment in undertaking international commitments and obligations which is called “Differential and Preferential Treatment for LDCs (DPTL)”.**
* **8quat. We reaffirm that small island developing states remain a special case for sustainable development in view of their unique and particular vulnerabilities, including small size, remoteness, narrow resource and export base, exposure to global environmental challenges, external economic shocks, and limited negotiating capacity, and we acknowledge that climate change and sea-level rise continue to pose a significant risk to small island developing stats and their efforts to achieve sustainable development, and for some, represent the gravest threat to their survival and viability. In this regard we call on the international community to fulfil their commitments to SIDS through the provision and mobilization of financial means top support the BPoA, MSI, and the SAMOA Pathway.**
* **8quint. We will support the new development framework “the African Union’s Agenda 2063”, as well as its 10 year Plan of Action, as a strategic framework for ensuring a positive socioeconomic transformation in Africa within the next 50 years, including its continental programmes embedded in the New Partnership for Africa’s Development. In this regards, we will fully take into consideration the specificity of Africa as articulated in the Common African Position on Post 2015 Development Agenda, and commit to mobilize substantial financial and non-financial resources for the implementation of initiatives undertaken at regional, sub-regional and national levels.**
* **8sext. We stress the need for the United Nations development system to ensure that it addresses the diverse and specific development needs of middle- income countries in a coordinated manner through the establishment of a united nations plan of action towards the cooperation with middle-income countries that considers, inter alia, the multidimensional nature of development and poverty, with taking into account the use of variables that go beyond per capita income criteria; an accurate assessment of the national priorities and needs of these countries, taking into account the use of variables that go beyond per capita income criteria; recognizing the multidimensional nature of development and poverty; adequate graduation criteria and follow-up for LDCs becoming MICs and lower-middle income countries; and adequate, systemic and better-focused support by the United Nations development system, according to national plans.**
* **8sept. We reaffirm the need to address the special challenges and needs of LLDCs and commit to support the implementation of the Vienna Programme of Action (VPoA) for LLDCs for the Decade 2014-2024 through renewed and strengthened partnerships to support LLDCs in harnessing benefits from international trade, structurally transforming their economies, developing and expansion of efficient transit systems and transport development, and achieving more inclusive economic growth and sustainable development. We agree to support and complement the efforts of LLDCs through targeted financing and technical needs, to establish and maintain effective transit transport systems, integration into the world economy, structural transformation of their economies and enhancement of their productive capacities and assist in their transformation to land-linked countries.**

**EU**

* Firstly, we welcome the reference to "efforts and responsibilities shared by all". The Addis outcome should operationalise the principle of shared responsibilities, namely that all actors need to take action and contribute their fair share to reaching global goals in line with respective capabilities. Secondly, the Addis outcome should pay particular attention to the needs of countries most in need, and in particular LDCs and fragile states. The text should also better recognise and take into account the specific challenges – including humanitarian challenges – faced by fragile and conflict-affected states. We, however, recognize that other categories of countries, such as SIDS, LLDCs and MICs also face specific challenges that endanger their future sustainable development. Finally, we would like to include a reference to mutual accountability here.

**African Group**

* Should be based on the principle of common but differentiated responsibilities, take into account right to development
* Strengthened and scaled up global partnership and enhanced partnership with other stakeholders and strengthening of UN leadership role in promoting development
* Delete reference to Sub-Saharan Africa, refer to Africa as a whole

**AOSIS**

* AOSIS supports the proposals of the G77, especially on 8bis and 8quat.
* The reality of countries in special situations requires a strengthening of language to recognize their inherent vulnerabilities. AOSIS supports stronger language in the FfD outcome document with a view to making it more actionable.
* Further, there is a need to expressly reaffirm SIDS as a special case for sustainable development. SIDS are widely accepted as being among the most vulnerable members of the global community,[[2]](#footnote-2) and the proposed language comes form agreed text in the SAMOA Pathway (paras 5, 107 and 31).

**Arab Group**

* Reference to common but differentiated responsibilities

**CELAC**

* Reference to common but differentiated responsibilities

**LDCs**

* 8bis. We reaffirm strengthened and scaled up global partnerships for sustainable development with the understanding and recognition that LDCs, as the most vulnerable group of countries, need enhanced global support and appropriate mechanisms at all levels for the achievement of the Post-2015 development agenda and SDGs. We recognize that LDCs would need additional, preferential, concessional and most favorable treatment for their access to markets, finance, technologies, know-how and other resources and differential and flexible treatment in undertaking international commitments and obligations which is called “Differential and Preferential Treatment for LDCs (DPTL)”.

**G77 Members:**

**Argentina**

* Reference to common but differentiated responsibilities

**Bhutan**

* Narrative on countries in special situations must be strengthened

**Brazil**

* Reference to common but differentiated responsibilities
* Revitalized and renewed instead of new global partnership

**China**

* Reference to common but differentiated responsibilities

**Ghana**

* Recognize special financial needs of MICs, especially those in transition

**India**

* Reference to common but differentiated responsibilities

**Iran**

* Reference to common but differentiated responsibilities

**Nepal**

* Reference to countries recovering from conflict

**Philippines**

* Certain groups and countries require special degree of attention in the context of financing for development, noting the distinct financing needs of countries belonging to LDCs, LLDCs, SIDS, and countries in conflict situations, among others. Hence, the global financing framework should consider how to keenly integrate the special financing challenges of the various vulnerable groups.

**Saudi Arabia**

* Delete third sentence ‘Our national strategies must be supported by […] sustainable development prospects.’
* Delete reference to middle income countries

**Sri Lanka**

* Should acknowledge the needs of the countries that are about to reach middle income status (who struggle to reach the gap).
* Should acknowledge the needs of the countries that have recently reached the middle income status (who struggle to survive at middle income status).

**Venezuela**

* Reference to common but differentiated responsibilities and people-centered development

**Other Member States:**

**Australia**

* In addition, we ask that the text acknowledge the recent Sendai outcome, with some short textual changes capturing this at paragraphs 8 and 36 (capturing cities) in this regard.

**Canada**

* we agree that national strategies must be supported by a new global partnership for sustainable development. And we strongly support the idea that the efforts and responsibilities linked to this global partnership must take into account different national realities and needs.

**Germany**

* New global partnership has to be elaborated: guiding principles of universality, shared responsibility, multi-stakeholder approach

**Israel**

* Referring to the suggestion made by the G77 to expand the listing of countries in special situations as appears in paragraph 8, we would like to stress that we do not find the suggestion to be relevant to our current discussion, nor does it have any prior reference in the Monterrey or Doha outcomes, on which this document is based. Furthermore, we are extremely concerned that introducing non-consensual language might interfere with the important work underway and turn the constructive discussion into a political debate.

**Japan**

* Japan supports the reference to *a new global partnership for sustainable development* in the 3rd to 4th line. However, what follows thereafter, namely, “based on efforts and responsibilities shared by all, taking into account different national realities…” is difficult to understand and should be deleted and replaced by “involving all relevant stakeholders.”
* Japan does not support reference to CBDR here, since we are not talking about environmental degradation, as in the principle 7 of the Rio Declaration, nor about climate change, as in the UNFCCC

**Mexico**

* [..] New Partnership for Africa’s Development, ‘**as well as the Outcomes of the Madrid, San Salvador, Windhoek and San José Declarations on Middle Income Countries**.

**New Zealand**

* [..] (SIDS), ~~countries in conflict~~ **fragile and conflict affected states** and countries in post-conflict situations’

**Norway**

* Genuine global partnership must be based on shared responsibilities

**Russia**

* [..] s**trengthened and reinvigorated** ~~new~~ global partnership [..]
* Add common but differentiated responsibilities
* Delete reference to sub-Saharan Africa, replace by Africa

**Switzerland**

* At the same time, we recognize that our countries’ sustainable development prospects will depend on our joint efforts to address global challenges. National **sustainable** development efforts need to be buttressed by an enabling international economic environment.

**United Kingdom**

* Emphasize shared responsibilities and universality of agenda

9. 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 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.

**Groups:**

**G77 & China**

* The fundamental responsibility for organizing this global partnership lies with governments **based on the principle of common but differentiated responsibilities**. ~~We~~ ~~will be held accountable by future generations for the success of commitments we~~ ~~make today~~. Our success will also **benefit from** ~~depend on~~ the resources, knowledge and ingenuity of business **sector**, civil society **and all relevant** ~~the scientific community, philanthropists and foundations, and~~ other stakeholders. **We and all relevant stakeholders will be held accountable by future generations for the success of commitments we all make today** We urge **private sector stakeholders, in particular large companies** ~~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~~ **while ensuring responsible and sustainable investments** ~~from harmful, unsustainable ones~~. We count on civil society around the world to **contribute positively to the efforts aimed at** mobiliz**ing** 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 **as we strive for** ~~to ensure~~ a sustainable, equitable and prosperous future for all. **(to become 8 bis)**
* **9bis: We agree to respect each country’s policy space and leadership to establish and implement policies for poverty eradication and sustainable development.**

**EU**

* We would like to see references to the crucial role of parliaments and local authorities

**G77 Members:**

**Bangladesh**

* Parliaments should be mentioned here

**Saudi Arabia**

* [..] We urge business to embrace **corporate social responsibilities and** 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 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.~~

**Sri Lanka**

* As the fundamental responsibility for organizing global partnership lies with governments, they should ensure good governance practices.

**Other Member States:**

**Canada**

* we are pleased to see recognized in the draft that the fundamental responsibility for organizing this global partnership lies with governments.

**Japan**

* Word “multi-stakeholder partnership” should be used. It is the subtitle of the goal 17.16 and 17.17 of the OWG report and should be recognized in the FfD report. The notion of global partnership should be elaborated more in detail in the Section I as well as in the last Section on the follow-up. We will propose concrete language in writing in this respect.

**Mexico**

* Add: foundations should undertake their activities on the basis of the best practices on philanthropic engagement
* Acknowledge the role of parliaments in their oversight and budget preparation roles

**New Zealand**

* Mention local governments
* Acknowledge important contribution of volunteers to sustainable development
* capital towards ~~sustainable investments~~ **investments which contribute to sustainable development** with a long term perspective

**Mobilizing the means to implement the post-2015 development agenda**

**Groups:**

**G77 & China**

* **Pre10. We call on the international community to provide enhanced and adequate means of implementation to developing countries, including through quantitative time-bound financing targets besides those established for ODA, debt relief and debt restructuring, trade, technology transfer, productive capacity building and greater participation of developing countries in global economic governance**.

**EU**

* In paras 11-15, Crosscutting areas such as infrastructure, energy, social floors, agriculture and ecosystems are critical to successfully achieving poverty eradication and sustainable development. But it is important that the FfD framework addresses issues and identifies actions relevant to all goals and targets in a balanced way. We should not open the door to the creation of new Global Funds, but rather call for better coordination and effectiveness of existing institutions.

**G77 Members:**

**Brazil**

* All 17 SDGs and their targets should be spelled out, must not give impression that SDGs are reopened, while promotion of synergies is ok

**Other Member States:**

**Japan**

* We are not sure if the specific sectors of the SDGs should be bundled in this section as being proposed in the zero draft. These specific sectors could be referred to in the context of the most relevant sources of financing in later chapters. At minimum, I could say that more effort can be made to avoid duplication, referring to these sector twice, once in Section I and again in later chapters. This streamlining exercise could be done at later stage, taking into account the result of the first reading.

10. 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. Our approach entails harnessing the considerable synergies across the goals, and identifying and addressing critical gaps, so that implementation of one will contribute to the progress of others. We have identified a range of areas that build on these synergies, such as essential social services, infrastructure, agriculture, small and medium sized enterprises (SMEs), and investing in our ecosystems. Public, private, domestic and international investments in these cross-cutting areas are needed to unlock the potential of our people, our economies and to protect our ecosystems – in short, to achieve the SDGs.

**Groups:**

**G77 & China**

* The post-2015 **development** agenda is ambitious and demands **adequate, predictable and timely means of implementation to respond to the level of ambition** ~~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. Our approach entails harnessing the considerable synergies across the goals, and identifying and addressing critical gaps, so that implementation of one will contribute to the progress of others. We have identified a range of areas that build on ~~thes~~e synergies **across some goals**, such as **sustained growth,** essential social services, infrastructure, **renewable energy,** **rural development,** agricultural **transformation**, .**inclusive and sustainable industrial development, micro,** small and medium sized enterprises (SMEs), and investing in **the conservation, regeneration, restoration, and resilience of** our ecosystems **in the face of new and emerging challenges.**. Public, private, domestic and international investments in these cross-cutting areas are needed to unlock the potential of our people, our economies and to protect our ecosystems – in short, to achieve the SDGs
* **10alt. The post-2015 agenda is ambitious and demands commensurate ambitious means of implementation. Achieving the SDGs will require a comprehensive and holistic approach, integrating in a balanced manner the economic, social and environmental dimensions of sustainable development, in accordance with the outcome document of rio+20 conference. Some modalities and instruments to further the post-2015 agenda will be referred to in the subsequent chapters of this accord as well as more properly detailed in and further complemented by the means of implementation to be adopted in September this year with the post-2015 development agenda. . Poverty eradication is the greatest global challenge facing the world today and an indispensable requirement for sustainable development. We are committed to match this challenge with the necessary resources, while recognizing the importance to achieve all sustainable development goals and targets in a balanced and integrated manner and with identical priority.**
* **10altbis. We have identified a range of areas that build on ~~thes~~e synergies across some goals, such as sustained growth, essential social services, infrastructure, renewable energy, rural development, agricultural transformation, .inclusive and sustainable industrial development, micro, small and medium sized enterprises (SMEs), and investing in our ecosystems. Public, private, domestic and international investments in these cross-cutting areas are needed to unlock the potential of our people, our economies and to protect our ecosystems – in short, to achieve the SDGs**
* **10altter. We recognize the role of social protection systems and comprehensive public services in creating opportunities for all, in particular people in vulverable situation of our societies, enabling them to further contribute to and benefit from economic growth. We underscore the relevance of effective social safety nets, including and especially in the context of economic crises**

**EU**

* We welcome the language on synergies

**AOSIS**

* AOSIS supports the G77 language.
* When it comes to SIDS, it is especially important to be cognisant of their dependence on business ventures that fall into the ‘micro enterprise’ category, and references to business enterprises which does not represent this category does a disservice to many SIDS.
* The definition of business enterprises by financial institutions often excludes many of the micro-level enterprises that are prevalent in SIDS. Micro-enterprises and cottage industries make up a significant proportion of the private sector in many SIDS economies, yet they are largely overlooked throughout the zero draft. AOSIS promotes the inclusion of micro-enterprises alongside small and medium enterprises throughout the text (see also paras 10, 14, 41, 42, 43 and 46).
* In order for ecosystem to be fully productive, given that it is a pillar for economic development in SIDS, they need to be healthy through conservation, regeneration, and restoration and resilience measures. Therefore, we support this using the SAMOA Pathway (para 6).

**LDCs**

* [..] synergies, such as **productive capacity building, inclusive growth**, essential social services [..]

**G77 Members:**

**Brazil**

* Instead of ‘ambitious response’, should read ‘commensurately ambitious means of implementation’
* Poverty eradication must feature as greatest global challenge facing the world today
* Needs appropriate frameworks of accountability including in the UN system

**Saudi Arabia**

* Should be deleted as it may involve spillover and implications on finance discussions in different UN bodies

**Sri Lanka**

* The range of areas that build on the synergies should include Education and Health as well.

**Other Member States:**

**Iceland**

* Add, after ‘infrastructure, agriculture,’: oceans and seas…

**New Zealand**

* [..] investing in ~~our~~ ecosystem~~s~~ **services** [..]

**Switzerland**

* 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, **including the gender equality dimension,** and combining different modalities and instruments, as detailed in the subsequent chapters of this Accord.
* Public, private, domestic and international investments in these cross-cutting areas are needed to unlock the potential of **all women and men, girls and boys ~~our people~~**, our economies and to protect our ecosystems – in short, to achieve the SDGs.

11. Ensuring productive and healthy lives, delivering equitable education, reducing inequality, ensuring access to water, sanitation and sustainable energy, 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 compactto 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.

**Groups:**

**G77 & China**

* Ensuring productive and healthy lives, delivering equitable education, reducing inequality, ensuring **human dignity and healthy lives,** access to water, sanitation and sustainable energy, and **completing** ~~finishing~~ the unfinished business of the Millennium Development Goals (MDGs) – will rely ~~primarily~~ on domestic public resources, **both domestic and international, on the basis of broader** ~~supported by international~~ cooperation and partnerships. We commit to ~~a new basic social compact~~~~to guarantee~~ **provide** nationally appropriate minimum levels of social protection and essential public services for all**, including children, persons with disability, youth, indigenous people and older persons**. We recognize that this entails significant additional investments, such as for strengthening country health and social protection systems **the adoption of social technologies that accelerate growth** and delivering **quality** education to all our children, including those **living** in **vulnerable situations** ~~fragile and conflict affected states~~. We agree to explore the most effective, efficient and coherent funding modalities to **mobilize additional resources , including international resources** ~~do this~~, including the possibility of global funds **for education, health systems and infrastructure**, 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. **through appropriate frameworks of transparency and accountability and mindful of the national policies and priorities determined by governments, including, when applicable, in the united nations development assistance framework with funds, programs and specialized agencies**

**G77 Members:**

**Peru**

* It is hereby recommended to incorporate, amongst the funding modalities to mobilize additional resources, the notion of an informed and evidence-based approach to sustain the public interventions to be implemented.

**Saudi Arabia**

* Ensuring productive and healthy lives, delivering equitable education, reducing inequality, ensuring access to water, sanitation and sustainable energy, and finishing the unfinished business of the Millennium Development Goals (MDGs) - will rely primarily on domestic public resources **but will need to be** supported by international cooperation and partnerships. **We encourage** ~~We commit~~ to a new basic social compact to guarantee nationally appropriate minimum levels of social protection and essential public services for all.
* It is important to include a sentence on the recognition of the support coming from developed to developing countries.

**Sri Lanka**

* Identify the national priorities to enhance social protection and essential public services for all.

**Other Member States:**

**Canada**

* We support national appropriate minimum levels of social protection but do not believe these should be “guaranteed”. Among other things, it raises immediate questions about who would be the guarantor. We also think that the following language should be added to the draft: “We welcome the innovative approaches taken by the Global Financing Facility in support of Every Woman Every Child to use ODA to catalyze additional domestic and international, private and public, resources for women and children’s health and universal health coverage through results-focused financing.”

**Japan**

* Japan does not support reference to the “possibility of global funds” in the fourth line from the bottom. Raising expectations of the international community, in particular those of the international organizations, without concrete prospects to realize them should be avoided.

**New Zealand**

* Ensuring productive and healthy lives, delivering equitable education, reducing inequality, ensuring access to water, sanitation and sustainable energy, and finishing the unfinished business of the Millennium Development Goals (MDGs) – will rely primarily on domestic public resources, supported by international cooperation**, private investment** and partnerships. We commit to a new basic social compactto guarantee nationally appropriate minimum levels of social protection and essential public services for all **including indigenous peoples, children, persons with disabilities, youth and older persons**. 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, **and protecting them from all forms of violence, exploitation and abuse,** 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.
* 11bis: **Non-communicable diseases place an enormous burden on developed and developing countries alike due to the high costs of treatment. These costs are particularly challenging for SIDS given the small size of their economies and constrain their ability to invest in other important dimensions of sustainable development. Taxing harmful substances not only serves as a deterrent to consumption, but also augments the domestic resource base.**

**Norway**

* Would like to see a reference to the innovative approaches of the Global Financing Facility

**Russia**

* [..] will rely primarily on domestic ~~public~~ resources, supported by international cooperation and partnerships. We commit to ~~a new basic social compact~~**spare no effort in order**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.

**Switzerland**

* Ensuring productive and healthy lives, delivering equitable education, **eliminating reducing** inequality **and gender inequality**, ensuring **equal** access to water, sanitation and sustainable energy, and finishing the unfinished business of the Millennium Development Goals (MDGs) [..]
* [..] We recognize that this entails significant additional investments, such as for strengthening country health and social protection systems and delivering **equal** education to all our children [..]

12. 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.

**Groups:**

**G77 & China**

* Investments in rural development**,**  ~~and~~ sustainable agriculture**, value addition in the global value chain and productive capacities** are essential for **eradicating poverty, reducing inequality and** 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 **but we acknowledge that public investments in agriculture must play a strategic role in leveraging research, infrastructure and pro-poor initiatives**, and we encourage increased ~~private~~ investments **in agriculture**  ~~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 **ensure a universal, open, transparent, rules based, non-discriminatory and fair multilateral trading system,** substantially increase public investment in areas such as rural infrastructure, **agroindustry,** agricultural research , including tropical agriculture, sustainable food production**, food safety** and food **value chain** ~~systems~~, with a particular focus on small scale food producers, **agricultural cooperatives and farmers´ networks,** and on promoting gender equality **and empowerment of women,** to attain food security and nutrition for the poorest and most vulnerable. We will further catalyse progress through strengthened policy frameworks **supported by an adequate international environment and compliance with the WTO Doha agricultural mandate.** to encourage access to markets for farmers, with a particular attention to smallholder and women farmers ~~and a fair multilateral trading system~~.

**G77 Members:**

**Saudi Arabia**

* [..] We will further catalyse progress through strengthened policy frameworks to **improve farm** ~~encourage access~~ to market **connectivity** ~~for farmers~~, with ~~a~~ particular attention to smallholder and women farmers and a fair multilateral trading system.

**Sri Lanka**

* We agree to increase public investments substantially in areas such as rural infrastructure, agricultural research and development including tropical agriculture as well as commercial agriculture, agro processing, 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.
* Productivity improvement of the agriculture sector and value chain enhancement should also be taken in to consideration.
* To further catalyze progress through strengthened policy frameworks to encourage access to markets for farmers while ensuring a reasonable price with particular attention to smallholders and women farmers and a fair multilateral trading system.

**Other Member States:**

**Australia**

* Reference to open and transparent agricultural trading system
* Reference to G-20 work on agricultural market transparency

**Iceland**

* Investments in rural development and sustainable agriculture **as well as sustainable fisheries** 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 **and food production, including fisheries**, 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 **and fisheries, including through the implementation of the 1995 Code of Conduct for Responsible Fisheries**. We agree to substantially increase public investment in areas such as rural infrastructure, **sustainable land management**, 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.

**New Zealand**

* 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, **extension services,** 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 **and increase income** 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 **indigenous peoples,** smallholder and women farmers and a fair multilateral trading system.

**Russia**

* [..] We ~~agree to substantially~~ **recognize the need to** 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~~.

**Switzerland**

* Investments in rural development ~~and~~ **as well as** sustainable agriculture **and food systems** are essential for eliminating hunger, achieving food security and nutrition [..]

**Turkey**

* Principles of Committee on World Food Security are voluntary, this has to be reflected

13. We underscore that investing in sustainable infrastructure, inclusive and sustainable 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.

**Groups:**

**G77 & China**

* We underscore that investing in sustainable **and resilient** infrastructure **and regional interconnectivity**, inclusive and sustainable 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 stress the critical importance for developing countries of industrial development as a factor in economic diversification, adding value to raw materials, improving economic productivity, developing and using modern and appropriate technologies and a critical source of economic growth. We therefore call for adequate space to be given to developing to use policy instruments and to implement policies that enable and promote industrialization, as well as the provision of adequate financing. We recognize that infrastructure is critical for economic structural transformation and that the greatest demand for infrastructure arises from developing countries, which must thus not be excessively burdened by sustainability criteria** We call for a new initiative to ensure sufficient investment in sustainable**, accessible** and resilient infrastructure **as well as in regional connectivity**, including transport, communication, water and sanitation and energy, **as well as renewable energy,** in all countries**, in particular developing countries** **mindful that those initiatives must respect national policies and priorities and be based on multilaterally agreed standards.** 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 **Relevant cooperation within the UN System, including UNIDO models are welcome to advance the linkages between infrastructure development, inclusive and sustainable industrialization and innovation.**. Infrastructure investment generally entails both public and private investment and sound policy frameworks. National and multilateral development banks (MDBs) play a critical role **and we encourage them to step up the provision of long-term financing**. We invite all to join us in our endeavour. We agree to ensure domestic and international enabling environments necessary for infrastructure investment .**taking into account the specific needs and circumstances of countries.** **We underline that industrialization and reindustrialization are among the main drivers of sustainable economic growth contributing to poverty eradication, and sufficient investment in promoting inclusive and sustainable industrial development can effectively address those major challenges we confront with today: growth and jobs resources and energy efficiency, pollution and climate change, technology transfer, knowledge sharing, innovation and social inclusion.**

**AOSIS**

* AOSIS supports the proposals of the G77 on this paragraph.
* The Alliance would like to emphasize that national policy space must be respected across the FfD agreement. Development assistance to create an enabling environment for infrastructure investment must adhere to national priorities, ensuring that development is nationally owned and nationally driven, in order to improve the delivery of finance in this area.

**LLDCs**

* Emphasize the regional dimension of infrastructure and further strengthen transit-related aspects and completion of missing links

**G77 Members:**

**Saudi Arabia**

* We underscore that investing in sustainable infrastructure, inclusive and sustainable 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. [..]

**Other Member States:**

**Canada**

* The draft document calls for a new initiative to ensure sufficient investment in sustainable and resilient infrastructure. Many initiatives already exist to promote infrastructure investment globally and Canada is already contributing to a number of these. We would therefore replace this proposal with language on the need for greater coordination among existing initiatives. We would advocate referring to greater use of the public-private partnership model to deliver infrastructure projects; this transfers asset risks to the private sector through long-term contracts and ensures a life-cycle approach to asset management.

**Liechtenstein**

* [..] We call for a new initiative to ensure sufficient investment in sustainable**, accessible and** resilient infrastructure [..]

**Norway**

* Include reference to the Clean Development Mechanism

**Russia**

* We underscore that investing in ~~sustainable~~ infrastructure, inclusive and sustainable 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~~ **will strive** 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. **We invite all to join us in our endeavour.**

14. 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 stable access to credit for micro, small, and medium sized enterprises (MSMEs).

**Groups:**

**G77 & China**

* The business sector will be a **key partner** ~~critical driver~~ in achieving sustainable development, creating the vast majority of jobs **and scaling technology and innovations. While Governments provide the framework for their operation, business, for their part, are expected to engage as reliable and consistent partners in the development process. This partnership should include business contributing to the public finances in the jurisdictions where they operate in proportion to the scale of their local operations** ~~Public policies must provide the enabling environment, as well as the policy framework and incentives to~~**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, This partnership should include businesses contributing to the public finances in the jurisdictions where they operate, in proportion to the scale of their local operations.** **We call for Governments and the private sector to work together   in order to** ensure **an enabling environment and** that private investment is aligned with sustainable development, norms and standards. To realize**, economic growth** full and productive employment and decent work for all, including for women and young people **and persons with disabilities**, and working with development banks and private actors, we commit to ensuring appropriate and stable access to **credit establishing a universal, rules-based, open, equitable and fair trading system including enhanced access and integration into global value chains** for micro, small, and medium sized enterprises (MSMEs).

**G77 Members:**

**Philippines**

* The proposed enabling policy that will allow the business sector to help achieve sustainable development is a welcome option to realize full employment potentials. However, countries should be provided with adequate and coherent support from the UN and its relevant institutions to align private sector interest with how governments implement their respective new development agenda.

**Sri Lanka**

* It is also essential to find practical solutions for collateral while ensuring appropriate and stable access to credit for MSMEs.

**Other Member States:**

**Australia**

* Recognize business sector as a critical driver of economic growth as well as sustainable development and job creation

**Mexico**

* [..] 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 **as well as social corporate responsibility principles promoting a gender perspective in global partnerships, as outlined by the Global Compact**. To realize [..]

**New Zealand**

* [..] to ensure that private investment is ~~aligned with~~ **contributing to** sustainable development, norms and standards. [..]
* [..] decent work for all, including for women, ~~and~~ young people, **and persons with disabilities**, and working with [..]

**Russia**

* Delete ‘norms and standards’

**Switzerland**

* [..] stable access to credit for micro, small, and medium sized enterprises (MSMEs), **collect and share data on labor market needs and promote skills development trainings to match national and international demands.**
* [..] we commit to ensuring appropriate and stable access to **~~credit~~ finance** for micro, small, and medium sized enterprises (MSMEs).

15. 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, 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.

**Groups:**

**G77 & China**

* In all of our actions we need to be mindful of the impact on **people and Mother Earth** ~~our planet~~. We will **promote** ~~implement environmental, social and governance (ESG~~) **corporate sustainability** reporting frameworks ~~for the private sector~~to contribute to transparency and accountability **for financing for development**. We commit to coherent policy, financing **and**, trade ~~and technology~~ frameworks **conserving, sustainably using and managing the oceans, its ecosystems and resources, and** **ensuring corporate sustainability, with a focus on promoting social inclusion and sustainable patterns of production and consumption, fighting corruption, illicit financial flows and tax evasion** for protecting **and managing our freshwater** ~~our ocean~~ and terrestrial ecosystems, preserving biodiversity **building resilience to the impacts of** and **combatting** ~~fighting~~ climate change. Governments, businesses and households will all need to change behaviours to create sustainable consumption and production patterns **in harmony with nature**. 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 **with developed countries taking the lead in this regard.** At the same time, new technologies will not substitute for efforts to reduce waste or efficiently use natural resources.

**AOSIS**

* The Alliances supports the language proposed by G77.
* AOSIS would like to further emphasize the need to conserve, manage, and sustainably use the oceans, its ecosystems and resources. For SIDS, ocean ecosystems and resources are integral to development, security and sovereignty. Their importance cannot be underemphasized.
* Further, the issue of climate change remains an ever present existential threat that affects SIDS in every aspect of their development.

**G77 Members:**

**Brazil**

* Instead of ESG, refer to corporate sustainability

**Peru**

* It is hereby recommended to specify that accountability of the private sector is referred both to the deployment of resources and to the achievement of expected outcomes.
* It is hereby noted with concern the importance of avoiding bureaucratic burdens affecting the efficiency of the private sector, in particular for small and private enterprises lacking the resources of large corporations. In this regard, the implementation of ESG reporting frameworks should be accompanied by a cost-benefit analysis.

**Saudi Arabia**

* 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 make it socially responsible.~~ **We encourage** ~~We commit to~~ coherent policy, financing, trade and technology frameworks for protecting our **sustainability** ~~ocean and terrestrial ecosystems, preserving biodiversity and strengthening climate change resilience~~. Governments, businesses and households will all need to change behaviours to create sustainable consumption and production patterns. ~~We commit to regulate harmful activities and incentivize behavioral changes.~~ Public and private investments on scale in infrastructure ~~and 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.~~

**Sri Lanka**

* Public and private investments in infrastructure, innovations, clean energy and clean technologies will be needed

**Other Member States:**

**Canada**

* Canada recognizes the importance of environmental and social safeguards. We also recognize the important contribution that can be made private sector transparency and accountability. The UN Guiding Principles on Business and Human Rights, for example, offer an appropriate basis for such a contribution. However, as each country is ultimately accountable to its own citizens, countries should retain the ability to select the reporting requirements that best reflect their national circumstances.

**Iceland**

* [..] We commit to coherent policy, financing, trade and technology frameworks for ~~protecting~~ **the conservation and sustainable use of** our ocean and terrestrial ecosystems, preserving biodiversity and fighting climate change

**Mexico**

* Acknowledge gender perspective

**Russia**

* In all of our actions we need to be mindful of the impact on our planet. We ~~will implement~~ **recognize the importance of** environmental, social and governance (ESG) reporting frameworks for the private sector to contribute to transparency and accountability. We ~~commit to~~ **call for** coherent policy, financing, trade and technology frameworks for protecting our ocean and terrestrial ecosystems, preserving biodiversity and fighting climate change. Governments, businesses and households will all need to ~~change behaviours~~ **contribute** to **the creation of** ~~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.

**Switzerland**

* **Addition: „In this context, we welcome the development and launch of the first programmes under the 10 Year Framework of Programmes for Sustainable Consumption and Production”.**
* We commit to coherent policy […] to create sustainable consumption and production patterns. **In this regard, we welcome the operationalization of the 10YFP on sustainable consumption and production patterns and look forward to the launch of all its programmes.**
* Language from HLPF/ECOSOC Ministerial declaration E/2014/L.22: OP19; it would be maybe better to place it further down in the text, as the main part of the document only starts with paragraph 17.

16. All of these areas will require different combinations of public and private financing, trade, technology, innovation, and capacity building, underpinned by effective institutions, sound policies and good governance at all levels, and a strong commitment to address key systemic challenges and constraints – as delineated in the chapters that follow in section II.

**Groups:**

**G77 & China**

* ~~All of these areas will~~ **All the goals and targets of the post-2015 development agenda** require different combinations of public and private financing, **national and international financial resources, responsible borrowing and lending,** trade, technology, **transfer, development, dissemination,** innovation, and capacity building, underpinned by effective institutions, sound policies and good governance at all levels, **additional resources** and a strong commitment to **international l cooperation and** address key systemic challenges and constraints – as delineated in the chapters that follow in section II. **to be further complemented in specific terms in the means of implementation of the post-2015 development agenda**

**EU**

* Duplicates paragraph 10

**G77 Members:**

**Sri Lanka**

* All of these areas will require different combinations of public and private financing, trade, technology, innovation, and capacity building, underpinned by effective institutions, sound policies **and strategies,** and good governance at all levels, and a strong commitment to address key systemic challenges and constraints – as delineated in the chapters that follow in section II.

## II. Addis Ababa Action Agenda

## Domestic public finance

**Groups:**

**G77 & China**

* Title: “Mobilizing domestic financial resources for development”
* Title as it is does not express an action agenda, text needs to focus on international cooperation agenda
* MC language on DRM remains relevant (ambitious and actionable) – para 12 of MC remains appropriate

**EU**

* Domestic public finance is by far the largest source of financing directly available to governments for investment in sustainable development. It also tends to be less volatile than international flows. Moreover, domestic taxation and progressive tax systems are an important component of the social contract that underpins government accountability, an important public policy to fight poverty and inequality and a key part of creating a sound investment climate and enabling growth. The importance of enabling environment and policies should come out much more clearly in this chapter.
* The key dimension of public financial management would deserve much more emphasis in the text. We should be more ambitious qualitatively: all countries should ensure that they have systems in place for the efficient and transparent management of public resources. We would also want to see a reference to the need to move towards open government data. There should also be stronger text anti-corruption at both national and international levels. The Addis outcome document should put equal emphasis on resource mobilisation, managing spending effectively and preventing leakages.
* Title: We would like to keep the proposed title for this section, that captures well the full range of questions under discussion.

**African Group**

* Revert to Monterrey title

**AOSIS**

* Section needs to take more note of SIDS
* It should explicitly state that domestic resources are not a substitute to international public finance, especially for SIDS

**LDCs**

* LDCs would need support for trade and investment negotiations to prevent the erosion of their tax base. Establishment of an investment promotion regime for LDCs is vitally important in this regard.

**PSIDs**

* In considering the proper place of domestic public finance for sustainable development, we must acknowledge the constraints of SIDS in successfully mobilizing domestic resources, including limited resources, narrow economic bases which limit local private sector development and foreign direct investment. These constraints must be recognized if the Addis Ababa outcome document is to realistically reflect the role that domestic public finance will play in the sustainable development of PSIDS;
* While our governments endeavor to provide universal access to basic social infrastructure and inclusive social services, such as health and education, these constraints limit our capacity to do so. We therefore welcome the call for international support to complement national efforts to meet a minimum benchmark for all communities no later than 2025, and consider SIDS worthy of explicit recognition as a "vulnerable country" addressed in such a manner; and
* We would also note that domestic resource mobilization is ultimately the prerogative of national governments. This policy space therefore also needs to be respected.

**G77 members:**

**Bangladesh**

* With the potential and capacity as well as availability of domestic resources remaining unresolved, as there is clearly a lack of empirical evidence and data, that domestic resources could sufficiently and substantially contribute to the huge demands of a unified and universal development agenda, may not be a realistic proposition. The outcome document needs to be carefully drafted that it does not put unrealistic emphasis and burden on domestic resources.

**Brazil**

* Problem with title, especially in comparison with private financing – creates imbalance
* Policy space not adequately mentioned (shift from para 98);
* This is not a legally binding treaty, it is a declaration so we opt for action oriented words, such as “will”, “shall”, “must” – it has to be an important commitment or why are we doing this?

**China**

* Please revert to the Monterrey title
* We propose integration of domestic public and domestic private
* Countries have the right to develop their own national strategies that respect policy space

**Colombia**

* Too prescriptive in 18, 32 and 34; in 25: not enough to just commit, need to build capacities

**Ethiopia**

* Equitable and sustained economic growth is pre-requisite for countries to realize their ambition of self-reliance by primarily depending on their domestic actions and resources for their development
* Countries need to create an enabling environment and appropriate domestic policies, including ensuring macro-economic stability, that are conducive to improve domestic savings, control corruption alongside preventing tax avoidance and evasion as well as abusive transfer pricing and trade mis-invoicing that ultimately lead to significant domestic revenue losses.
* Developing countries should actively be involved in international conversations on expanding international tax cooperation and greater sharing of information to address tax avoidance, tax evasion, corruption, money laundering and illicit flows. International companies are required to act responsibly and need to streamline transparency and accountability in their operations including properly reporting to tax authorities where they make their profits and pay their tax across the world
* We welcome that the Zero draft has reflected the above elements in a comprehensive manner

**India**

* Don’t change title from Monterrey, private flows should be taken into account
* Too strong focus on utilization instead of mobilization and on international cooperation to mobilize domestic resources

**Other member states:**

**Australia**

* Domestic public finance, in its mobilisation and effective use, is critical in shifting our conversation from billions to trillions of dollars for sustainable development. For this reason we support the framework and general narrative of the zero draft, in its focus on the importance of domestic public finance at the start.
* We support retaining the title ‘domestic public finance’ as a simple and clear indicator of the subjects covered under this title.
* Domestic public finance is an essential component for success in countries moving up the development ladder. For this reason tax reform, financial inclusion and international tax cooperation has formed a key part of the G20 agenda and Australia is a strong supporter of these initiatives.
* To achieve better development outcomes, the text should also include reference to the use of relevant tools which help countries structure reforms. For example, the Tax Assessment Diagnostic Assessment Tool (TADAT), (www.tadat.org/) developed by the IMF so that countries develop approaches that are meaningful and relevant.

**Germany**

* Germany is calling for **ownership** on the part of all countries, including developing and emerg­ing economies, with regard to mobilizing primarily national financial resources to finance sustainable development (Monterrey Consensus). Not only is domestic revenue more stable and sustainable than income from international sources; it also enhances the legiti­macy of state-citizen relations (social contract). Germany is in favor of a systemic, holistic, values-based approach. In addition to the **revenue side**, there also needs to be a focus on the **expenditure side** and on **financial oversight institutions** as well as the interdependen­cies between them. Further pertinent aspects include the improvement of **data, statistics and IT**, capacity building for **civil society and parliaments**, and support for **fiscal de­centralization**.
* The FfD process should be used to increase the level of resources available (**quantity**) and to foster targeted action for the continuation of structural change in international tax policies (**quality**) in a manner that is beneficial for developing countries.

1. **Support for reform-minded countries in the area of tax and domestic revenue**
   * We have been advocating for the provision of additional ODA funding in order to support de­veloping countries in establishing **fair and transparent tax systems**. This includes the de­velopment of institutional capacity at all levels with a view to the efficient and systematic col­lection of taxes, duties and charges. Initially, support is to be given to particularly reform-minded countries (**early movers**).
   * Germany is helping reform-oriented governments to enhance their tax base. In such efforts, the focus should not exclusively be on the absolute **tax ratio** but also on **quality criteria** such as a broadened tax base and enhanced equity in taxation, with a view to preventing the emergence of bad incentives. The **Tax Administration Diagnostic Assessment Tool (TADAT)** has the potential to provide reliable, comparable information on the strengths and weaknesses of tax administrations, which will facilitate tailor-made assistance.
   * Our support for partner governments is a combination of assisting them in strengthening their revenue base and helping them to make sure that the additional income is used for develop­ment purposes.
   * We are using the International Tax Compact (ITC) that was initiated by Germany in order to disseminate good practice regarding tax projects. On that basis, we will be launching an **initia­tive for more tax reform programs** together with the OECD and with other donors at the Addis FfD conference.
2. **More international cooperation: fighting illicit financial flows and designing and enforc­ing international tax regulations** 
   * The fight against **illicit financial flows** (IFFs) requires more international cooperation, better coherence and new forms of interministerial cooperation. We are launching a new German project against IFFs in selected partner countries. This will generate experience on new forms of cooperation against IFFs that can be used to further enhance international cooperation. Germany is also engaged in fostering **exchange among academics, policymakers and practitioners** on the political and economic rationale for fighting illicit flows. We are planning to hold an international workshop in Bonn in late June.
   * Generally, greater international cooperation on corporate taxation would be welcome with a view to preventing a race to the bottom. Multinational **corporations'** actions that lead to **base erosion and profit shifting** (BEPS) have a particularly severe impact on developing coun­tries. We have been advocating giving developing countries a chance to make **appropriate use** of the new global OECD standards on **BEPS** and on the **automatic exchange of infor­mation** (AEoI) on financial accounts. The implementation capacity of tax authorities needs to be enhanced ("Basics first") so that developing countries are able to take part in BEPS and AEoI. We have been working for this through a **joint initiative** with other donors.
   * We have been pointing out that **disadvantages for developing countries** under the AEoI that arise from inadequate implementation capacity need to be offset by giving these coun­tries more time (**period of non-reciprocity in the exchange of tax data**).
   * We have been advocating for continued support for **regional tax networks** (Africa: ATAF, Latin America: CIAT) and for assistance in the establishment of such networks (**ASEAN region**).In this way, we can strengthen countries' regional voice and facilitate peer-to-peer learning within and between regions.
   * We are in favor of strengthening the **UN Tax Committee** through the provision of financial re­sources so that it becomes better able to live up to its role of supporting international cooper­ation on tax issues, particularly with regard to the special situation of developing countries.
3. **More transparency in international tax policy** 
   * We have been supporting the call for more transparency with regard to **beneficial owners**, which can help to stem the outflow of funds and to make it more difficult to hide foreign assets, thus enhancing the tax base.Germany does not support the proposal for publicly accessible registers.
   * We support the call for greater **transparency with regard to multinationals**. What is crucial, above all, is reports to fiscal authorities so that the public sector has the information it needs to improve efficiency. In parallel, there should always be activities to develop the capacity of fiscal authorities so that good use can be made of the information gathered. Germany opposes a public disclosure obligation.
   * The experience gained with the **implementation of transparency initiatives** such as EITI should be analyzed. Germany supports the dissemination of experience from EITI.
4. **Integrated agenda: combining the mobilization of revenue with development-oriented expenditure policies** 
   * We have been calling for an integrated agenda that is in line with the aspiration of making financing sustainable in terms of all three dimensions of sustainability (social, environmental, economic). The goal of rationalizing **fossil fuel subsidies** and phasing out harmful subsidies altogether that was approved by the OWG should now be made specific and credible through the definition of reduction stages. In addition, **"green" investment** from public sources, for instance for infrastructure or in order to lever private resources for climate investment, should be increased.
   * The vision of sustainable development also needs to be reflected in the **actions of ad­ministrative bodies**. This is not only a matter of the public sector acting as a role model. The actions of administrative bodies also have relevant impacts on the various dimensions of sustainable development.

**Iceland**

* In general we agree on the vital importance of domestic resource mobilization. We also support the emphasis on enhanced tax environment and combatting IFFs but we would welcome stronger language on the importance of institution building and rule of law in this chapter.

**Netherlands**

* Want to strengthen concrete deliverables

**New Zealand**

* Non-communicable diseases burden on SIDS should be reflected. We support mention of taxation on consumption related to these.
* Tobacco taxes should be included

**Russia**

* Revisit title: revert to well understood wording from Monterrey: Mobilizing domestic financial resources for development

**Switzerland**

* We believe that the Addis outcome document could put more emphasis on the role of the domestic enabling environment to generate public resources. Let us remember that domestic resources are generated through sustained economic activity by businesses and households.
* We also agree with the title of the chapter, as it captures the whole sphere of public finance at the domestic level

**Turkey**

* Support reference to G20, BEPS, AEOI and Global Forum, support focus on LICs to benefit through capacity building
* We propose to regroup same messages together in the following paragraphs, eliminating the repetitions:
  + Fiscal and tax management: 19 (progressive increase in tax revenues), 20 (broadening tax base), 25 (international tax evasion), 26 (international tax cooperation), 28 (UN Committee)
  + Illicit financial flows: 21 and 27
  + Full, better and transparent usage of existing resources: 22 (Women participation in labor market), 23 (Natural resources), 24 (logging and fishing), 33 and 34 (fossil fuel)
  + Better governance: 29 (corruption), 30 (public procurement)
  + Social infrastructure: 31 and 32
  + Local financial markets: 35 and 36

**United Kingdom**

* We support this title

**United States**

* We believe that increasing domestic public resources holds the key to achieving the sustainable development objectives that we all seek to achieve, given the universality of the Post-2015 Agenda. We also applaud the zero draft’s emphasis on the need for countries’ public sectors to raise revenues as theır economıes grow. We have no doubt that thıs ıs an objectıve that we all share, as domestic resources have been the most rapidly growing component of development finance this past decade.
* We welcome the recognition in the zero draft that domestic financial resources should support climate-friendly development, incorporating climate considerations throughout development plans and aligning fiscal and macroeconomic policies to support low-carbon, climate-resilient development strategies. However, we would like to see some concepts strengthened throughout the zero draft. With respect to domestic public finance, we believe that the commitments of countries to achieve greater mobilization of domestic resources should be coupled wıth commıtments to use theır funds efficiently to achieve sustainable development outcomes. We welcome the reference to accountable and transparent budgeting and procurement ın paragraph 30, but belıeve the document would have even more ımpact by ıncorporatıng a parallel reference to accountabılıty wıth respect to SDG outcomes. We also welcome the acknowledgment of the posıtıve ımpact that the full and equal partıcıpatıon of women ın the labor market has on contrıbutıng to domestic public resources and economıc growth.
* The United States supports a single standard for automatic exchange of information. We are an actıve partıcıpant ın efforts underway to address Base Erosion and Profit Shifting (BEPS) and support rules regarding transfer pricing documentation to enhance effectıve tax administration, taking into account the compliance costs for business. We believe that enhancıng the administrative capacity to collect taxes due is even more ımportant, partıcularly programs that strengthen revenue and customs administrations. We believe that Official Development Assistance (ODA) has a critical and catalytic role in supporting countries’ abilities to mobilize their own domestic resources. We allocate sıgnıfıcant U.S. ODA to this end and acknowledge the fact that many other countrıes, ıncludıng advanced and emergıng economıes, do the same. Hence, we belıeve the outcome document would benefıt from a recognıtıon of the need for a commitment to increases ın assıstance for tax and fıscal management from a broad range of sources.
* We are not prepared to support the proposal to upgrade the status of the UN tax commıttee.
* With respect to combatting illicit finance – including corruption and tax evasion – we welcome the inclusion of this critical topic in the zero draft by the Co-Facilitators. Corruption and illegal activities deny many countries of substantial revenue. That saıd, to develop effective and well-targeted strategies to combat ıllıcıt fınance and to lend credıbılıty to our efforts, the Addis Ababa outcome document must be technıcally accurate and not conflate tax avoıdance strategies which are legal and evasıon activities which are illegal. We would also question a proposal to track the flows of finance caused by illicit activities: estimation methodologies can suffer from severe technical flaws. We strongly support the zero draft’s emphasis on countries taking the important step to ratify or accede to the U.N. Convention against Corruption. We also welcome the proposal to support the joint Stolen Asset Recovery Initiative of the U.N. and the World Bank. We also note that in some complex cases in the return of stolen assets, different national circumstances – such as the absence of an accountable government – may preclude the unconditional return of stolen assets to their countries of origin.
* Other ideas, while well-intentioned, will likely not achieve what they aim to, such as the call for the creation of a “New Social Compact.” We belıeve the outcome document should ınstead reflect the 2012 ILO Social Protection Floors Recommendation No. 202, whıch affırmed a two-dimensional approach aimed at the rapid implementation of national social protection floors containing basic social security guarantees that ensure universal access to essential health care and income security at least at a nationally defined minimum level. Sımılarly, the text referencıng envıronmental crımes would have sıgnıfıcantly greater ımpact by reflectıng the unıversal nature of the document and the need for all partıes to step up theır support for combattıng such crımes, ınstead of ınvokıng dıvısıve language. There are several other areas where we thınk the language could be ımproved and wıll provıde specıfıc edıts to the co-facılıtators.
* We have an historic opportunity to forge a compact around domestic resource mobilization with all actors taking a part in improving availability and use of these resources to achieve sustainable development. We underscore the opportunity before us to achieve lasting development outcomes. We thank the co-facilitators for their leadership and efforts to develop the zero draft under discussion today.

1. 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 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.

**Groups:**

**G77 & China**

* Domestic resource mobilization and effective use is **an important component** ~~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 necessary **to achieve sustainable development, including the SDGs,** ~~to provide public goods and promote equity~~. **Adequate fiscal space,** Sound economic policies, including counter-cyclical fiscal policies, **and conditional cash transfer programs,** ~~democratic~~ **robust and transparent**  institutions responsive to the needs of the people, and **improved and** sustainable infrastructure are the basis of equitable **and inclusive** growth, **inequality reduction,** poverty eradication and employment creation **for all in particular women and youth**.

**EU**

* As this para very elegantly puts it, "domestic resource mobilization and effective use is the crux of our common pursuit of sustainable development". This sentence should be kept.

**African Group**

* Add: [..] development, **taking into consideration the respect of development policy space of developing countries as well as the support needed to promote sustained and inclusive economic growth and social development and environmental protection** [..]

**G77 Members:**

**Brazil**

* “Crux” establishes a hierarchy which should not be there
* Delete: ~~provide public goods and~~
* Need to link to social goals and need a clear linkage with need to achieve SDGs
* Could have reference to CCTs and social protection in this para.

**Ethiopia**

* We think the sections on international support for domestic actions and the enabling environment could be strengthened, and respect for national processes needs to be highlighted more
* Add: [..] national strategies **in line with domestic decision making**
* We should highlight that tax and revenue policies are nationally determined and then go on to say that we will endeavour to incorporate sustainable development, equity and gender equality where appropriate within those policies

**Peru**

* It is hereby recommended to add the notion that national sustainable development strategies should be based in sound and evidence-based economic policies.

**Saudi Arabia**

* [..] Sound economic policies, including counter-cyclical fiscal policies, ~~democratic~~ **efficient** institutions responsive to the needs of the people [..]

**Sri Lanka**

* Fourth line, add: [..] **necessary to provide public goods and services and promote equity** [..]
* Add: counter-cyclical fiscal policies, **conducive monetary policies,** democratic institutions [..]

**United Arab Emirates**

* Need to stress importance of ODA and international support in the first para

**Other Member States:**

**Australia**

* Add a sentence to better link domestic public finance, public resource management, with the debt and debt sustainability text in part E
* DRM instruments and policies will need to be tailored to individual country circumstances and adjusted over time as countries develop. One size does not necessarily fit all.

**Canada**

* In the longer term, the two most important sources of stable development finance will be domestic public finance and private sector finance. We would also note that governments are responsible for their own domestic resource mobilization. The quantity of government revenues as well as the quality of public expenditures are central to if not sufficient for the promotion of sustainable development. In this regard, we believe that “sound macroeconomic policies” capture all forms of economic policies including countercyclical fiscal policies and would therefore suggest that this expression be used.

**Germany**

* Mention that enhanced capacity for DRM and effective use for SD is needed, and to strengthen accountability at all levels of government.
* Sound policies for social and environmental sustainability are of utmost importance - need natural capital accounting.

**Iceland**

* Add: [..] responsive to the needs of the people and **rule of law.**

**Mexico**

* Add 17 bis: **Prudent macro-fiscal policies must go hand-in-hand with an efficient growth- and development-friendly composition of public spending, including through appropriate targeting of social assistance programmes and the protection of high quality infrastructure expenditure**.

**Russia**

* Delete: ~~Domestic public finance is necessary to provide public goods and promote equity~~

**Spain**

* Great importance of DRM to fight poverty and reduce inequality
* Mention MICs and conflict countries

**Sweden**

* Democratic institutions fundamental for growth and sustainable development and also taxation and democratic spending decisions, language should be strengthened

**Turkey**

* Change: **We recognize that domestic public finance** ~~Domestic resource mobilization and effective use~~ is the crux […]
* Add new second sentence: **Its role in providing public goods and promoting equity is undeniable.**
* Replace: ~~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.~~ **We acknowledge that domestic resource mobilization depends on several elements, such as good governance and transparency, stronger fiscal and tax management, fair and effective tax systems, women’s full participation in the labor market, optimizing natural resources, building up social infrastructure and local financial market development.**

1. 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.

**Groups:**

**G77 & China**

* We recognize that domestic resources are first and foremost generated by sustained economic growth. **We therefore aim to foster the promotion of productive activities to generate an inclusive and sustainable income base for economies to grow, recognizing that this is also dependent on** effective fiscal policy ~~depends on~~ good governance ~~at all levels~~ and an enabling domestic environment **supported by an enabling economic environment that ensures a more fair and equitable trading system and addresses the systemic challenges that face developing countries**. In this regard, we agree to **enhance productivity capacity in developing countries,** strengthen our domestic governance and institutions, and to further combat corruption at all levels, **illicit financial flows and evasion and avoidance of taxes**. We also agree to incorporate sustainable development, and promote equity, including **proper policies,** gender equality **and empowerment of women and social inclusion**, as **desirable** ~~an~~ objective in **relevant** ~~all~~ tax and revenue policies, **as appropriate** including ~~incentives we give to domestic and foreign investors~~, **facilitation of investments** and tax treaties and agreements.

**EU**

* We welcome references to the importance of the enabling environment and of policies, but would want to see the language on this key dimension strengthened and mainstreamed in the chapter. The concept of policy coherence at all levels should be covered. Good governance must be the starting point: all countries should implement sound domestic policies and reforms to create favourable conditions for macroeconomic stability, inclusive growth and sustainable and equitable development. This implies putting the right emphasis on an environment conducive to private sector development, investment, trade, as well as science, technology and innovation.

**African Group**

* Add: **appropriate public revenue systems and policies should be put in place at domestic and international levels**.
* Should reference tax evasion, avoidance, tax havens and measures by TNCs for trade and transfer mispricing;
* Add: promote equity, including **pro-poor policies** **and** gender equality,

**G77 Members:**

**Brazil**

* Highlight importance of having business sector cooperation in the fight against IFFs
* Add: promote equity, including **social inclusion and** gender equality,
* Not all taxes can be adjusted for sustainable development
* Mention strengthening national regulatory framework
* Need a mention here of combatting IFFs

**Colombia**

* Need to avoid reference to public policies and instead reference goals

**Iran**

* Add: … **enabling international economic environment**

**Nepal**

* Incentives and gender inconsistent here

**Saudi Arabia**

* Change final sentence: ~~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.~~ **We also agree to orient our fiscal policies to sustainable and equitable development**.

**Sri Lanka**

* Add: In this regard, we agree**d** to **further** strengthen our domestic governance and institutions […]

**Other Member States:**

**Canada**

* We support good governance in order to enhance accountability toward citizens in the implementation of the Financing for Development agenda. While it is reasonable to incorporate consideration of sustainable development implications in the development of some tax and revenue policies, these issues may not be relevant in the case of every policy or again some policies may not be effective tools for achieving these objectives. We recommend “consideration” of these goals in the development of policies rather than “incorporation….as an objective”.

**Republic of Korea**

* The methodology of increasing tax revenue needs be further clarified. Paragraph 18 suggests that sustained economic growth is a prime mechanism for mobilizing domestic resources, but does not elaborate on how to achieve sustained economic growth. The Republic of Korea believes that “sustainable industrialization and decent jobs” in paragraph 48 is useful to add context to sustained economic growth, as the advancement of industries increase the tax base and the middle class. Thus the Republic of Korea suggests that paragraph 18 duly reflect the causal relationships between sustained economic growth, sustainable industrialization and creation of decent jobs

**Liechtenstein**

* Add: corruption at all levels **in all its forms.**

**Mexico**

* Change: and promote ~~equity~~ **equality**, including […]

**New Zealand**

* Change: ~~further~~ **effectively** combat corruption

**Russia**

* Avoid being overly prescriptive,
* Change: ~~agree~~ **recognize the need** toincorporate**, as appropriate,** sustainable…
* Delete: ~~including gender equality~~

**Sweden**

* Strengthen gender, add additional language on rights and empowerment and resource mobilization for women

**Turkey**

* Incorporation of development and equity may not be applicable everywhere, change: 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~~ **where appropriate**.

1. 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.

**Groups:**

**G77 & China**

* While many countries have made considerable progress in strengthening fiscal management since the Monterrey Consensus, we recognize that **strengthened national regulatory frameworks and institutions** 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**, supported by global commitments to combat illicit financial flows and scale up the international cooperation in building national capacity** in tax matters, ~~including through~~,. ~~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 **to developing countries**, particularly to LDCs. **We commit to enhancing the efficiency in tax collection and broadening the tax base.** **We acknowledge that tax structures must be improved by making them more equitable, progressive and less distorted.**

**EU**

* Efforts to enhance tax revenues through modernised tax systems, improved tax policy capacity and more efficient tax collection will be key to the implementation of the post-2015 agenda. In order to ensure that all countries collect an adequate level of revenue to put them on the path to fiscal self-sustainability and meet their sustainable development needs, this para should be more ambitious quantitatively. Halving the tax-to-GDP ratio gap to 20% by 2025 will for some not be enough. We would also be interested in exploring “proportion of a country’s budget funded through tax” targets, or an aim around ensuring developing countries collect the tax they are due, acknowledging that one size will not fit all.

**African Group**

* Tax base should be expanded in progressive manner,
* Add: **enhanced international support will be required to meet the SDGs**
* Delete: ~~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~~.
* Not balanced in terms of taxation, need to emphasize principle of national ownership and can mention productive enterprises industrialization, natural resources value addition, rural development and agricultural transformation

**Arab Group**

* Delete: ~~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~~.

**LDCs**

* Add: Globally, we commit to support countries that need assistance, including through substantially increasing ODA and technical assistance for **efficient** tax **collection** and fiscal management capacity **and broadening the tax base**, particularly to LDCs.

**G77 Members:**

**China**

* Tax to GDP ratios are not realistic.

**Ethiopia**

* This is an admirable target, and we certainly expect to increase our share of GDP through such revenues. Among the global support to be provided to countries that need assistance, we would suggest to add, negotiation capacity with extractive industries and mechanisms to control illicit financial flows

**India**

* Too prescriptive, should not have a one size fits all approach, focus should be on international efforts

**Peru**

* Replace: with the aim of ~~halving~~ **reducing** the gap towards 20 per cent by 2025

**Rwanda**

* Targets are not desirable – countries should be allowed to allocate for themselves.

**Saudi Arabia**

* Replace: Towards that end we are committed to **harnessing the potential to bolster** ~~bolstering~~ government revenues **as needed** while improving the efficiency of our expenditures.
* Delete: ~~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.~~

**United Arab Emirates**

* Too prescriptive, delete: ~~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.~~

**Other Member States:**

**Australia**

* Clarify where the basis for the numbers,
* While we support aspirational goals, we should also recognise that different ratios will apply to different economies depending on their structure and levels of development.
* Include language to make reference to vulnerable SIDS at the end of para

**Canada**

* We should be cautious invoking specific targets and timetables to be applied uniformly to all countries. In this regard, the second sentence regarding the 20 per cent target is problematic. For countries with tax revenues above 20 per cent of GDP, increasing taxes could have negative consequences and may be less significant than making more efficient use of existing revenues.
* Second sentence - This is the first of many calls throughout the draft for increased ODA within a specific sector or theme. Donors must often make difficult choices about where to focus their limited ODA resources. Decisions with respect to where to focus these resources are best made at the country level, together with the partner government, through a well developed system for donor
* While we strongly support efforts to strengthen tax and fiscal management capacity, we recommend the deletion of the reference to “substantially increasing” in the last sentence

**Germany**

* Please refer to CAADP

**Liechtenstein**

* Change: […] of GDP ~~agree~~ **consider** 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~~ **consider** to […]

**Mexico**

* 20% target may be ambitious, but we support having a target
* TA and ODA can create capacity to achieve this

**Netherlands**

* Add: **To enable developing countries to raise domestic revenues and to give expression to policy coherence, countries are called upon to give up asking for tax exemptions under ODA govt to govt aid, to begin with VAT and import leaves on goods and services.**

**Russia**

* Delete: ~~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.~~
* Delete: […] including through ~~substantially~~ increasing ODA and technical assistance for tax […]

1. 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.

**Groups:**

**G77 & China**

* 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**, transparency** and effectiveness of our tax systems, **emphasizing on the principle of national ownership in raising domestic resources. We encourage the engagement of all stakeholders for increased mobilization of domestic resources, in accordance with national priorities, capabilities and circumstances.** 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, **we underline that building productive capacity including vertical diversification, value addition and increased value retention and access to modern technology can significantly expand domestic tax base in the LDCS** ~~while ensuring progressive tax systems~~. We further agree to **increase international cooperation in strengthening** ~~strengthen our~~ tax administrations **in developing countries**, including through training, **systems upgrades** ~~digitalization~~ and increasing efficiencies

**EU**

* We welcome the reference to the need for a transition from an informal to formal economy. Where countries are not financially self-sustainable, they should reform national tax systems to broaden the tax base and ensure fair, just and sustainable tax policies that are, in addition, conducive to delivering on international and national sustainable development objectives. We would want to see a stronger reference to strengthening revenue administrations and institutions with responsibility for budgetary planning and oversight. This could also come under a stand-alone para.

**African Group**

* Add: **tax reform that is fair, efficient, and transparent, and that broadening the tax base should be based on equitable outcomes**
* Revise to address excessive tax incentives in extractive investments to increase tax revenue and improve transparency of tax systems

**LDCs**

* The Group of LDCs seeks support from its development partners in enhancing the efficiency in tax collection and broadening the tax base. It requires strengthened investment in SMEs which can create employment and inclusive growth. Improvising the banking sector can facilitate generating and getting access to more resources for long term investment. Substantial increase in ODA and technical assistance is vitally important in this regard, in order to put at the service of Domestic Resource Mobilization in win-win partnerships. We will address this issue in depth when we discuss international public finance.
* To expand the tax base in LDCs we need to build productive capacity, add: **We underline that building productive capacity including vertical diversification, value addition, increased value retention and access to modern technology can significantly expand domestic tax base in the LDCs**.

**G77 Members:**

**Nepal**

* Tax base language too weak, add: **efforts will be made at the optimum level to formalise and bring them into tax base**

**Saudi Arabia**

* Change: while ensuring ~~progressive~~ **efficient** tax systems.

**Sri Lanka**

* Ensure sustainable tax reforms with clarity, consistency and continuity in the tax regime.

**Other Member States:**

**Canada**

* We support efforts to broaden the tax base and to integrate the informal sector into the formal economy as appropriate.

**Netherlands**

* Add: **For developing countries that are ready for substantial tax reforms and anxious to fight tax evasion and tax evasion, funds in addition to ongoing multilateral and bilateral support will be made available to strengthen their capacities towards these objectives**.
* Please add a reference on transparency on donor initiatives

**Russia**

* Delete: ~~fairness and~~

**Spain**

* Strengthening national tax policy is important
* Keep reference to progressive tax policies

**United Kingdom**

* One new idea we have is designed to emphasize the fact that not all developing countries will be able to take the required action to boost capacity of their revenue mobilisation systems alone. Some may need international cooperation and support.
* So we propose to add something in this chapter to the effect that no developing country which has set out credible plans for strengthening domestic revenue mobilisation and tackling corruption will lack for international support to make these plans a reality.

1. 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.

**Groups:**

**G77 & China**

* We s**trive** ~~agree~~ to strengthen national regulation and international cooperation**, specially actions on the side of developed countries,**  to combat illicit financial flows (IFF), **all forms of** tax evasion **and elusion**  and corruption,with the aim to **eliminate it from all our countries, from the most affected ones especially Africa. In this regard we will undertake to halve it in 2020 and eliminate it by 2030** ~~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~~  **in** payments to governments from ~~large~~ companies ~~are fully transparent~~.**]**

**EU**

* This para should focus on national measures to combat illicit financial flows, including by countries identifying, assessing and understanding their money laundering risks, both for their own economy and for the international financial system, and acting on those risks and by implementing minimum standards of good governance in tax matters (e.g. transparency, exchange of information) as well as company beneficial ownership registries.
* The international cooperation is already extensively covered in para 25-29

**African Group**

* Add an explicit timeline
* We agreed term “significantly” in the OWG.
* We should be ambitious and aim to “eliminate” particularly from most effected countries and particularly Africa. Halve it by 2020 and eliminate by 2030.

**Arab Group**

* We need stronger language on intel responsibility and efforts on IFFs

**LDCs**

* A global partnership is urgently required to prevent transfer of corrupt assets as well as to facilitate their recovery from the so-called ‘safe havens’. See the commitments in the Istanbul Programme of Action and include this language in the draft:
  1. We decide to eliminate safe havens that create incentives for transfer abroad of stolen assets and illicit financial flows; assist in the recovery and return of stolen assets to the countries of origin, consistent with the United Nations Convention against Corruption; and enhance disclosure practices and transparency in both source and destination countries and cooperate in efforts to reduce illicit financial flows. (IPoA 112.2.c, d and e)

**G77 Members:**

**Brazil**

* Scale up international cooperation with international financial centers taking the lead

**Colombia**

* Do not use the term “illicit financial flows”, but instead list out the components you mean

**Ethiopia**

* Paras intersected by paras on women, extractives – we suggest that you put the tax evasion and illicit flows (paras 21 and 25) together.

**Peru**

* It is hereby noted the need of further clarifications as to how to implement an increase of transparency in all payments to governments from large companies.

**Saudi Arabia**

* Re: 15 years: If we specify a time horizon, then we must also specify a target, e.g. 50% reduction by 2030.

**United Arab Emirates**

* Tax avoidance is more complex and needs to be treated differently from evasion

**Other Member States:**

**Canada**

* Support strengthened regulation and international cooperation to combat tax evasion. We agree that we all need to work to progressively reduce opportunities for tax evasion and tax avoidance. While transparency of government operations is generally to be encouraged, confidentiality of tax information filings needs to be respected where protected by national law. A caveat to this effect should be added.

**Mexico**

* Add 21 bis: **We believe technical cooperation is crucial and thus recommend that advanced and middle-income countries continue sharing best practices and technical assistance to their less developed peers to help them strengthen their own frameworks.**

**Netherlands**

* We want a commitment to include anti-abuse clauses in all new tax treaties & to revise existing treaties: **To this end, countries agreed to include anti-abuse measures in all new bilateral tax treaties and also to revise existing tax treaties by inclusion of these measures, with priority to treaties with developing countries as treaty partners**.

**Sweden**

* Need to link institutions/rule of law and taxation and IFFs
* Need to reference the need for domestic political will, with international backing

**Switzerland**

* Agree with the notion that illicit financial flows constitute a fundamental obstacle to economic growth and good governance. The international community must continue its efforts to combat money laundering, curb tax evasion and tax avoidance. In this regard, the focus should be on the bold implementation of agreed measures in existing fora and on making these efforts more inclusive.

**Turkey**

* Amend to include laws on confidentiality to be taken into account, share with relevant parties
* Change: **To prevent tax evasion and avoidance,** we will increase ~~transparency, including by ensuring that all payments to governments from large companies are fully transparent~~ **the transparency of the tax payments of large companies and promote information exchange among the relevant tax authorities**.

1. 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 participation in the economy and in the labour force.

**Groups:**

**G77 & China**

* The full and equal participation of women **including women with disabilities,** in the formal labour market would significantly increase not just **for the economic empowerment of** ~~opportunities for~~ women, but their contributions to domestic revenue and economic growth. Countries should promote social infrastructure and policies that enable women’s full participation in the economy and in the labour force.

**G77 Members:**

**Ethiopia**

* Move before or after the tax section

**Saudi Arabia**

* Delete: ~~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.~~
* Change: **We agree to** ~~Countries should~~ promote social infrastructure and policies **that help increase** ~~enable~~ women’s ~~full~~ participation in the economy and in the labour force.

**Sri Lanka**

* Active participation of woman should also be considered in the formal labour market

**Other Member States:**

**Iceland**

* Strongly supports the paragraph:
* Add at the end: **and ensure their equal rights to economic resources, including access to ownership and control over land and other forms of property, financial services, inheritance, and natural resources**.

**Liechtenstein**

* Change: ~~The~~ **In order to ensure the** full and equal participation of women in the formal labour market~~would~~**, we commit to** significantly increase ~~not just~~ opportunities for women~~, but~~ **thereby increasing** their contributions to domestic revenue and economic growth. Countries ~~should~~ **need to** promote social infrastructure and policies that enable women’s full participation in the economy and in the labour force.

**New Zealand**

* Add: **promote access to financial service, property rights, and social policies**

1. Countries relying significantly on natural resource exports face particular challenges in optimizing national benefits from resource extraction. Countries without stabilization funds or other policies to stabilize the flow of government revenues through price cycles are encouraged to consider how they might make use of such options. We agree to implement the Extractive Industries Transparency Initiative (EITI). We will promote peer learning for forging successful state relationships with the extractive sector, including as it pertains to fair concession and royalty agreements.

**Groups:**

**G77 & China**

* Countries relying significantly on natural resource exports face particular challenges in optimizing national benefits from resource extraction. Countries without stabilization funds or other policies to stabilize the flow of government revenues through **economic** ~~price~~ cycles are encouraged to consider how they might make use of such options. **We encourage investors to invest on value added natural resources processing** ~~We agree to implement the Extractive Industries Transparency Initiative (EITI)~~. We will promote peer learning for forging successful state relationships with the extractive sector, including as it pertains to fair concession and royalty agreements **and capacity building**

**EU**

* All countries should ensure that they have systems in place for the sustainable management of natural resources and the related revenue. Transparency and accountability in extractive industries should be increased, for example through the disclosure of payments by companies to governments. The reference to EITI should stay.

**Arab Group**

* We cannot agree to implement non-universal initiatives

**LDCs**

* Need mention of value retention, technology, industrialization in relation to commodity exports, also for expanding the tax base

**G77 Members:**

**Brazil**

* Commodity exporting countries vulnerable to shocks from speculation – this should be mentioned
* EITI needs more balance, targeted also at developed countries, issue of capacity asymmetry in compliance - perhaps change to “those interested in the initiative”
* This is why CBDR should be included – capacity challenges

**China**

* Delete: ~~We agree to implement the Extractive Industries Transparency Initiative (EITI)~~.

**Ethiopia**

* Move before or after the tax section
* Add language from African position about “Provision of support for developing countries to better negotiate contracts in dealing with extractives.”

**India**

* Need softer language on non-universal initiatives

**Iran**

* Don’t include references to initiatives that not all countries are a member

**Peru**

* It is hereby stated that the word “agree” should be replaced for the word “encourage” or “promote”, as referred to the implementation of the Extractive Industries Transparency Initiative (EITI).

**Saudi Arabia**

* Delete: ~~We agree to implement the Extractive Industries Transparency Initiative (EITI).~~ ~~We will promote peer learning for forging successful state relationships with the extractive sector, including as it pertains to fair concession and royalty agreements.~~

**Sri Lanka**

* Substantial efforts should be taken to avoid possible curse of natural resources

**Other Member States:**

**Australia**

* Support initiative fully, but amend to: We **note important ongoing work on transparency in this area, including** ~~agree to implement~~ the Extractive Industries Transparency Initiative (EITI).

**Canada**

* All governments can promote and be supportive of the Extractive Industries Transparency Initiative (EITI). We strongly support the promotion of peer learning in order to forge successful state relationships with the extractive sector. However, governments should not be required to “implement” EITI where they already have provisions for mandatory reporting in the extractive sector. Therefore, we believe this sentence should be replaced with: **We recognize the importance of EITI.**

**Japan**

* On Extractive Industries Transparency Initiative (EITI), Japan actively supports the initiative implemented by 48 countries as of today. But Japan, lacking natural resources to extract from its territory, we are not in a position to implement the initiative ourselves. Therefore, the sentence that says, “We agree to implement the EITI” should be modified to read: **We call for further implementation of the EITI.**

**Russia**

* Delete: ~~We agree to implement the Extractive Industries Transparency Initiative (EITI).~~

**Sweden**

* Need for global initiative with a common standard, reference to EITI should be kept

1. 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.

**Groups:**

**G77 & China**

* We also recognize that **issues such as** ~~environmental crimes,~~~~especially~~ illegal logging, **illegal mining** 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 **of endangered species, dumping of hazardous waste,** and illegal trade in wildlife **and minerals**, and supporting the development of sustainable, alternative livelihoods for affected communities, **and action to enhance and implement the monitoring, control and surveillance of fishing vessels so as to effectively prevent, deter and eliminate illegal, unreported and unregulated fishing, including through institutional capacity building at the appropriate levels. (possible placement after 67altbis)**

**EU**

* This para should also mention international instruments

**AOSIS**

* We also recognize thatissues such as ~~environmental crimes, especially~~ illegal logging, illegal mining 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 of endangered species, dumping of hazardous waste, and illegal trade in wildlife and minerals, and supporting the development of sustainable, alternative livelihoods for affected communities, **and action to enhance and implement the monitoring, control and surveillance of fishing vessels so as to effectively prevent, deter and eliminate illegal, unreported and unregulated fishing, including through institutional capacity building at the appropriate levels.** (possible placement after 67altbis)

**G77 Members:**

**China**

* No international consensus on environmental crime – please delete: issues such as ~~environmental crimes, especially~~ illegal logging

**Saudi Arabia**

* Require clarification of “environmental crimes” as meaning is vague.
* Delete: ~~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.~~

**Sri Lanka**

* Add: […] lost revenue **and negative impact on livelihood of regional level people**.

**Other Member States:**

**Canada**

* This is the second reference to donors providing “increased financial resources and technical assistance.” As stated in our comments on paragraph 19, decisions with respect to where to focus these resources are best made at the country level, together with the partner government, through a well-developed system for donor coordination. We therefore recommend deleting “increased”

**Iceland**

* We are open to a different placement of this paragraph, which some have mentioned would be better suited under the capacity building. However, it also belongs in this chapter as such illegal activities do negatively affect current and future revenue from the harnessing of natural resources and could therefore be placed together with paragraph 23 and related paragraphs outside the grouping of IFF and tax related paragraphs
* In this paragraph we would like to see a reference to the term illegal, unregulated and unreported fishing (IUU fishing) and reiterate that in this regard United Nations Convention on the Law of the Sea,40 provides the legal framework for the conservation and sustainable use of the oceans and their resources. However, better infrastructure, more effective monitoring, sustainable harvesting and the elimination of subsidies is needed for nations to effectively harness their marine resources and sustainably manage the marine ecosystem
* Revision: “We also recognize that environmental crimes[[3]](#footnote-3) and **violations of international law, including** illegal logging, illegal**, unregulated and unreported** fishing, **poaching and illegal trade in wildlife**, 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 **in implementing national and international law, including through better monitoring, better infrastructure**, ~~including addressing poaching and illegal trade in wildlife,~~ and supporting the development of sustainable, alternative livelihoods for affected communities.”

**New Zealand**

* Add: especially illegal logging, **illegal mining** and illegal fishing […]
* Add: **We agree to strengthen national regulation and international cooperation to combat environmental crime**

**Russia**

* Does not belong to this section, should be moved to international systems or international cooperation
* Change: **We stress the need** ~~Developed countries commit~~ to provide increased financial resources […]

1. 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 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.

**Groups:**

**G77 & China**

* 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 **in terms equality based on the principle of non-discrimination and trust**. We ~~agree~~ **encourage countries, in accordance with their national capacities and circumstances**  to work together to strengthen transparency and adopt ~~pending~~ policies **such as** ~~innovations, including~~: ~~public~~ ~~country-by-country~~ reporting by multinational enterprises **to the governments of the countries where they operate**; ~~public~~ **information on** beneficial ownership ~~registries~~; and **[**multilateral, automatic**]** exchange of tax information, with assistance to developing countries, especially the poorest, as needed to upgrade their capacity, **as appropriate,** 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~~.

**EU**

* Though every government has primary responsibility to raise revenue, strengthen national tax systems and capabilities and serve its population, international cooperation including capacity building will be a necessary complement to domestic efforts. This should include implementing a global standard for the automatic exchange of tax information while catering for the specific circumstances of LDCs, fragile and conflict-affected states, implementing country-by-country reporting to tax authorities for transnational companies, public company beneficial ownership registries, automatic exchange of tax information, implementing G20 recommendations on base erosion and profit shifting – areas on which the EU has shown strong leadership.

**G77 Members:**

**Colombia**

* Tax cooperation should prioritise building capacity in developing countries

**Ethiopia**

* Focus on MNCs reporting to tax authorities where they make profits and pay their tax – as a first step before public information

**Nepal**

* Need to have double taxation treaties mentioned

**Saudi Arabia**

* Delete: ~~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.~~

**Thailand**

* Add: […] concerted international cooperation, **in terms equality based on the principle of non-discrimination and trust**
* Change: “We agree to work together ~~to strengthen transparency~~ and adopt pending policy innovations **to strengthen transparency** ~~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.”

**United Arab Emirates**

* Need more careful language on reporting in the context of MNCs

**Other Member States:**

**Australia**

* Delete: ~~adopt pending policy innovations~~
* Caution about committing to adopting a public registry

**Canada**

* Any campaign to reduce international tax evasion should build on existing processes
* We support multilateral automatic exchange of tax information with assistance to developing countries to upgrade their capacities. However, this support is conditional on an appropriate legal platform for information exchange being in place together with adequate measures to protect the confidentiality of taxpayer information and to use the exchanged information appropriately
* We agree that work should proceed through relevant fora to end harmful tax competition and to engage in voluntary discussions on tax incentives

**Germany**

* Combat tax avoidance also

**Japan**

* With regard to “automatic exchange of tax information”, Japan has been actively supporting the implementation of AEOI in collaboration with OECD and ADB, and we are supportive of promoting AEOI on a bilateral basis but do not support at this stage “multilateral, automatic exchange of tax information”. The word “multilateral” should be deleted.

**Liechtenstein**

* Delete: […] ~~public~~ beneficial ownership registries […]
* Replace: […] ~~multilateral~~ **effective** automatic exchange of information […]

**Mexico**

* EOI should be based on reciprocity, we cannot endorse unilateral exchange of tax information
* Recent international scandals demonstrate the active promotion of internationally relevant financial institutions of tax evasion and tax fraud, which affects all countries.
* Add: **All countries particularly countries with a systemically influential financial systems should ensure that their banking and financial institutions abide by the highest ethical and regulatory standards in order to avoid encouraging tax evasion and tax fraud, and such behaviours, when proved according to due process, shall be prosecuted to the full extent of the law.**

**Netherlands**

* Mention importance of assistance to developing countries to benefit from OECD/G20 BEPS process, upgrade capacity to participate in automatic exchange of tax information, include CSR reference

**Russia**

* Change: […] ~~global campaign~~ **further efforts** […]

**Spain**

* We support language on AEOI
* LDCs could have flexible timetable for AEOI
* AEOI temporary stage of non-reciprocity for developing countries could be possible

1. 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 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.

**Groups:**

**G77 & China**

* ~~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 **with global consequences** should be universal in approach and scope and should fully take into account the differentiated needs and capacities **and different level of development** of all countries, **including developing countries, in particular** ~~including~~ LDCs ~~and~~ SIDS**, LLDCs** **and Africa**. We commit to strengthen **intergovernmental**  efforts to develop global norms on taxation, **through the efforts of the UN system including through the Committee of experts on international cooperation in tax matters,** taking into account the work of **relevant organizations including UNCTAD. We call for inclusive deliberations on combatting**~~the Organisation of Economic Cooperation and Development (OECD) for~~ the ~~Group of 20~~~~on~~ Base Erosion and Profit Shifting **and for ensuring that developing countries have a deciding say in the outcomes of the Base Erosion and Profit Shifting so** ~~and we call for more inclusive deliberations to ensure~~ that these efforts benefit all countries, including LDCs**,** ~~and~~ SIDS**, LLDCs**, **Africa, middle income countries and countries under foreign occupation**, as well as a more inclusive governance structure to reflect its global impact. We **take note of** ~~welcome~~ the efforts **taken by** ~~of~~ the International Monetary Fund (IMF), including on tax spill-overs and capacity building.

**EU**

* We support implementing G20 recommendations on base erosion and profit shifting
* References to SIDS should be removed from para 26.

**African Group**

* Add: including LDCs ~~and~~ SIDS **and African countries**
* We propose an intergovernmental commission with universal membership and give it the mandate with the necessary resources to take the lead in tax efforts

**Arab Group**

* Must have universal character on int’l tax, we support UN committee upgrade

**LDCs**

* Support for trade and investment negotiations to prevent erosion of tax base
* Change: ~~including~~ **in particular** LDCs [… ]

**G77 Members:**

**Brazil**

* Support calling on IMF

**Colombia**

* Call for tax cooperation on intergovernmental basis with equal representation

**India**

* Add reference to UN committee of experts in this para

**Saudi Arabia**

* Taxation is a sovereign issue; hence, developing global norms may not be a realistic undertaking. Instead, the document should support the specific work related to BEPS.
* Delete: ~~universal~~
* Delete: ~~efforts to develop global norms on taxation~~
* Delete reference to OECD (but keep G20)

**Other Member States:**

**Canada**

* We support the OECD’s efforts to include developing countries in the Base Erosion and Profit Shifting project, including through recently established regional networks. Canada believes the current OECD approach to international tax cooperation and the development of global norms on taxation is working. We are concerned that a shift in forum would jeopardize this and therefore do not support the development of a new venue for such discussions.

**Germany**

* We support AEOI

**Japan**

* It is important that we acknowledge the ongoing initiatives under various international fora, including IMF/WB, G20, OECD and regional organizations which have the expertise that do not exist in the UN system, such as on illicit financial flows (IFFs), tax avoidance and base erosion etc. Relevant information should be shared with the appropriate UN fora but these initiative need not be duplicated in the UN system. We are okay with para 26 but I just wanted to respond to what was raised by the Co-facilitator this morning.

**Mexico**

* MICs also have severe issues with regards to expanding their tax base and making better use of their revenue. We believe they are worth mentioning in this context.
* Add: including LDCs ~~and~~ SIDS **and middle-income countries**
* Recognize differentiated needs for technical assistance through multilateral, bilateral and south-south cooperation

**Sweden**

* Need international support for exchange mechanism

**United Kingdom**

* We would also like to see a stronger encouragement for all countries to join the Global Forum on Transparency and Exchange of Information for Tax Purposes, and to start to exchange tax information with each other

1. 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. We ask the Financial Stability Board to work expeditiously with relevant institutions to implement the proposed global Legal Entity Identifier system, with appropriate standards to incentivize countries to mandate use of the system. We will support the strengthening of efforts to effectively combat money laundering and the financing of terrorism.

**Groups:**

**G77 & China**

* We welcome the Report of the High Level Panel on Illicit Financial Flows (IFFs) from Africa **and its recommendations.** ~~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 , **in collaboration with regional organizations** ~~and other relevant stakeholders, to develop a proposal for an official definition of IFFs, and~~ to publish official estimates of their volume and breakdown **by 2016**. ~~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. We ask the Financial Stability Board to work expeditiously with relevant institutions to implement the proposed global Legal Entity Identifier system, with appropriate standards to incentivize countries to mandate use of the system~~. **We will support the capacity of developing countries, and commit to track illicit financial flows, recover and return funds to countries of origin.** We will support the strengthening of efforts **and cooperation to, in accordance with national priorities** ~~to~~ effectively **strengthen national institutions to** combat money laundering and the financing of terrorism, **which has serious implications for economic development and social cohesion.**

**African Group**

* We do not need an official definition of IFFs
* We should commit the institutions to track illicit flows, recover and repatriate them

**G77 Members:**

**Brazil**

* Support calling for IFF definition

**Colombia**

* Definition not agreed, need to be specific every time

**Ethiopia**

* There should be a greater focus on action against illicit flows, rather than UN focused debates around what the definition should look like for example. We can bring more action into the text things that need to be done to address the issue.

**Saudi Arabia**

* Add at the end: **We emphasize the need for a global effort to restrict cross-border movement and deny safe havens to illicit wealth.**

**Sri Lanka**

* Support should be given to strengthen law enforcement both nationally and internationally to effectively combat money laundering and the financing of terrorism.

**Other Member States:**

**Canada**

* We are also supportive of the implementation of the Legal Entity Identifier initiative but do not see the value in mandating this system.

**Germany**

* Have automatic exchange of information on tax

**Japan**

* Japan joins Russia in proposing to delete the sentence: ~~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~~.

**Russia**

* Delete: ~~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~~
* Delete: ~~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.~~
* Change: We ~~ask~~ **invite** the Financial Stability Board to […]

**Republic of Korea**

* Welcome this para in addressing the issue of illicit financial flows by urging multilateral efforts to define, estimate and track illicit financial flows. However paragraph 27 could better serve our ambition if it includes a numerical target on the volume or ratio of illicit financial flows to be eliminated by 2025 or 2030. The Republic of Korea thus requests the Secretariat to consider the inclusion of a tangible and achievable target in combating illicit financial flows.

**Sweden**

* Capacity development is important

**United Kingdom**

* With regard to illicit financial flows, we don’t think its worth spending time and energy trying to produce an agreed definition We prefer to move directly to action. We think a collective effort should focus on taking concrete steps to combat the illegal activities that are producing illicit flows in the first place. This could be, for example, through a commitment from all countries to assess their own money laundering risks and address them through implementation of standards set out by the Financial Action Task Force on Money Laundering.

1. 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.

**Groups:**

**G77 & China**

* Support tax body – move to systemic issues as para 102 bis

**EU**

* We cannot agree to the upgrade of the UN Tax Committee. For the EU, the current format of a committee of independent experts, chosen on a broad international basis, is appropriate. We should not indulge in institutional proliferation, and rather focus on improving cooperation among existing bodies and making sure that all countries are in a position to participate and fully benefit from increased transparency at international level.

**African Group**

* Need to give it a mandate in the document

**G77 Members:**

**Brazil**

* We strongly support upgrading the committee on tax
* We support IMF to continue efforts in this regards,
* Must make sure it benefits all countries, including LDCs and SIDS.

**Colombia**

* We support intergovernmental basis of tax cooperation, with equal participation of developing countries

**India**

* Support upgrade of committee, not institutional proliferation but having the right institutions

**Nepal**

* Need to have support for countries wanting double taxation treaties with major parties specifically mentioned as a way to encourage corporate investment

**Saudi Arabia**

* In the absence of international consensus on taxation of extractives, this document should not specifically welcome this aspect of Committee’s work.
* Delete: exchange of information, ~~the taxation of extractive industries~~ and capacity building.

**Other Member States:**

**Canada**

* We support the OECD’s efforts to include developing countries in the Base Erosion and Profit Shifting project, including through recently established regional networks. Canada believes the current OECD approach to international tax cooperation and the development of global norms on taxation is working. We are concerned that a shift in forum would jeopardize this and therefore do not support the development of a new venue for such discussions.

**Germany**

* Strengthen committee but upgrade not necessary

**Japan**

* Japan joins EU and US in not supporting the upgrading of the Committee of experts on International Cooperation in Tax Matters to an intergovernmental committee. This has been coming up again and again including in the SG’s synthesis report, but we are not convinced of the rational

**Liechtenstein**

* Add: **universal** intergovernmental committee […]

**Mexico**

* We need to check on the advantages and disadvantages of this proposal.

**Netherlands**

* Add reference valued added of existing regional tax networks and express support to the establishment of a comparable Asian network

**Russia**

* Delete: ~~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~~.

**United Kingdom**

* On the UN Committee of Experts on International Cooperation in Tax Matters, we agree that we should welcome its work but we do not agree it should be upgraded. We do not think is the most effective way to strengthen specific action on tax cooperation

1. We urge all States that have not yet done so to ratify or accede to the UN Convention against Corruption and commit to making it an effective instrument to both deter corruption, prosecute corrupt officials and regain the assets they have stolen. We support the joint Stolen Asset Recovery Initiative of the United Nations and the World Bank, and will fully utilize the peer review process under the UN Convention to accelerate the unconditional return of stolen assets to their countries of origin.

**Groups:**

**G77 & China**

* We urge all States that have not yet done so to ratify or accede to the UN Convention against Corruption and commit to making it an effective instrument to both deter corruption, prosecute corrupt **businessmen, middlemen and** officials and **recover and return** ~~regain~~ the assets they have stolen. **We commit to that purpose to adopt and enforce regulatory frameworks at all levels to further increase transparency and accountability of the financial and banking system.** We support the joint Stolen Asset Recovery Initiative of the United Nations and the World Bank, and **acknowledge their role in facilitating the return of stolen assets to their country of origin** ~~will fully utilize the peer review process under the UN Convention to accelerate the unconditional return of stolen assets to their countries of origin.~~

**EU**

* We would want to include a reference to the OECD Convention on Combatting Bribery of Foreign Public Officials in International Business Transactions

**LDCs**

* Important to return stolen assets to their countries of origin

**G77 Members:**

**Brazil**

* Include reference to corrupt business and middle men
* Add: We support transparency and accountability of financial and banking system.

**Iran**

* Add: […] stolen assets **including those that have been transferred abroad** […]

**Other Member States:**

**Canada**

* Fully support using language urging states that have not yet done so to ratify or accede to “and implement” the UN Convention Against Corruption (UNCAC).
* We also welcome the inclusion of a reference to the Stolen Asset Recovery initiative of the UN and the World Bank.
* We need to enhance the transparency and the inclusivity of our UNCAC reviews by making full use of the voluntary options in the Terms of Reference to the UNCAC Implementation Review Mechanism. We also need to commit to effective national action and international cooperation to give full effect to Chapter V of the Convention and to contribute effectively to the recovery of the proceeds of corruption.

**Liechtenstein**

* Change: accelerate the ~~unconditional~~ return of stolen assets to their countries of origin **in accordance with established standards and practices**.

**Russia**

* Serious concerns about drafting, call on UNCAC to actively and fully implement the review mechanism, especially part 5 on recovery, while enabling intergovernmental and impartial nature of the mechanism
* Replace last sentence: ~~We support the joint Stolen Asset Recovery Initiative of the United Nations and the World Bank, and will fully utilize the peer review process under the UN Convention to accelerate the unconditional return of stolen assets to their countries of origin.~~ **We call on States –parties of the UN Convention against Corruption to actively and fully participate in the Mechanism for the review of implementation of the Convention, including on Chapter 5 (“Asset Recovery”), which will become the subject of the second cycle of the review, while preserving the intergovernmental, voluntary and impartial nature of the Mechanism**.

**Switzerland**

* The fight against corruption at the national and international level should be a key priority and the language in the Zero Draft could be stronger in this regard. It should encourage Parties to the United Nations Convention against Corruption to make full use of the inherent country review process to identify good practices, challenges and technical assistance needs; and to follow up on the agreed conclusions. This is not in the text yet.
* The paragraph should highlight preventive measures for corruption. We also call for the elaboration of best practices regarding the return of stolen assets in a transparent and accountable manner to prevent any further embezzlement of public funds. This last part is missing.

**Sweden**

* Need stronger language on implementation and follow up

**United Kingdom**

* We also think we should go further than just signing up to the UN Convention Against Corruption, and include a commitment to reporting on national progress in implementation.

1. Our financing policies, both domestic and international, will be guided by the need to achieve 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.

**Groups:**

**G77 & China**

* Our financing policies, ~~both domestic and international~~, will be guided by the need to achieve sustainable development, as an integral part of our national sustainable development strategies **while reaffirming the** **sovereign right of countries over national resources**. **We encourage to increase transparency the budgeting process and spend our resources to address our development challenges** We will **seek to** spend our resources efficiently and effectively, ~~and~~ **mindful of their impact on achieving the SDGs.** **We will** ensure that our national policies **and public financial management take account of** ~~are in line with~~**, structural transformation, sustainable industrialization, social inclusion,** ~~good governance, accountability~~ and **promote capacity building, gender equality and empowerment of women** ~~sensitive public financial management,~~ and promote equity **and good governance and accountability at all levels**. ~~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 **to establish transparent** ~~on the need for transparent~~ public procurement **frameworks as a strategic tool to** ~~that~~ reinforce sustainable development.

**EU**

* The sustainability dimension should be further strengthened by references to Natural Capital Accounting (which would fit better here than under para 34), combating environmental harmful subsidies, sustainable public procurement, and the Polluter Pays Principle.
* Addis should also urge relevant international organisations and other actors to engage in a broad and concerted effort to accelerate the elaboration of mechanisms, policies and incentives as well as their wide applications to the benefit of our environment and to fight climate change

**G77 Members:**

**Brazil**

* Need to be in line with national priorities, and other areas, alongside good governance

**China**

* Delete reference to transparency in relation to budgets and procurement

**Iran**

* Why are we referencing non-intergovernmental partnerships here?

**Philippines**

* We would like to highlight the importance of ensuring that the financing policies, both domestic and international, should promote equity based on a more transparent, inclusive and systemic consideration of the issues, particularly of the vulnerable groups such as the developing countries and LDCs, among others. This entails that the policy space need to provide an enabling environment allowing countries to express differing needs and national interests.
* The Philippines is one of the eight founding member countries of the OGP which was launched in 2011. The OGP aims to promote multilateral initiatives and seeks strong commitments from participating government institutions to promote transparency, increase civic participation, fight corruption, and harness new technologies to make' government more open, effective and accountable, To encourage stakeholder participation in policy formulations and implementation at all levels, the Philippines has already crafted its second OGP Action Plan which contains various commitments, including Grassroots Participatory Budgeting Program and Seal of Good Housekeeping, among others. In 2014, the Philippines was a recipient of a gold award from the OGP for the Grassroots Participatory Budgeting initiative.

**Saudi Arabia**

* Change: We further agree on the need for transparent **and corruption-free** public procurement ~~that reinforces sustainable development~~.

**Sri Lanka**

* Add: on the need for transparent public procurement **system** that reinforces sustainable development

**Other Member States:**

**Australia**

* Include reference to supreme audit institutions

**Austria**

* Include reference to supreme audit institutions

**Canada**

* We are supportive of the reference to the alignment of national policies with good governance, accountability and gender-sensitive public financial management. Recognizing that it is only through government budgets that services to children (such as health, education and social protection) are delivered, public financial management systems should allow information on planned and spent budgets for children’s programs to be visible.

**Estonia**

* Please extend and expand this section on efficient use of resources
* We propose inclusion of national auditing institutions
* We propose clear linking of national sustainable development strategies to national budgets

**Liechtenstein**

* Change: to ~~join~~ consider joining the Open Government Partnership
* Add: […] for transparent public procurement that reinforces sustainable development **including accessibility**.

**Mexico**

* Change: ~~equity and gender-sensitive~~ **gender-equality, effective, results-based** public financial management.
* Add: […] Partnership. **We welcome the efforts made in this regard by processes and fora such as the Global Partnership for Effective Development Cooperation.** We […]

**Russia**

* Delete: ~~and gender-sensitive public financial management~~
* Delete ~~and encourage those who have not yet done so to join the Open Government Partnership~~.

1. 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 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.

**Groups:**

**G77 & China**

* ~~As the basis of a new basic social compact to invest in people~~, we will **undertake to individually provide affordable** ~~guarantee access to essential~~ health care and education for all ~~persons~~ **taking into account national circumstances**, and support implementation of nationally appropriate social protection systems and measures for all, ~~including floors~~, with a special focus on **people in vulnerable situations** ~~those 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~~. **We will provide financial assistance and technical cooperation to developing countries to this end.** ~~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 **priorities and** strategies.

**AOSIS**

* ~~As the basis of a new basic social compact to invest in people~~, we will **undertake to individually provide affordable** ~~guarantee access to essential~~ health care and education for all ~~persons~~ **taking into account national circumstances**, and support implementation of nationally appropriate social protection systems and measures for all, ~~including floors~~, with a special focus on people in vulnerable situations ~~those 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~~. **We will provide financial assistance and technical cooperation to developing countries to this end**. ~~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 **priorities and** strategies.

**G77 Members:**

**Brazil**

* Mention three dimensions of SD in the middle
* Include “social technologies” – as a reference to social inclusion
* Reflect that Human development must fit the 3 dimensions of SD in a balanced and integrated manner

**Iran**

* Need clarification on whether this is in the right place

**Sri Lanka**

* In order to protect low income and vulnerable groups while considering the multidimensional nature of poverty, it is necessary to rationalize the public service delivery mechanism together with the intensified facilitation for the production sectors.

**United Arab Emirates**

* We want stronger reference on basic services

**Other Member States:**

**Canada**

* The language contained in this paragraph is consistent with the ILO Recommendation 202 on National Floors of Social Protection and thus we generally support its retention. However, in the first sentence the specific word “guarantee” is problematic – who will guarantee access is unclear

**Lichtenstein**

* Delete: ~~in accordance with national strategies~~

**Mexico**

* Have multidimensional definition of poverty
* We support focus on those with least access to basic social rights

**New Zealand**

* Add: with a special focus on **indigenous peoples** […]

**Norway**

* Social protection – ref to Global Financial Facility needed

**Russia**

* Need to adequately address quality of education, add: […] decent work for all is essential. **In this context we emphasize the need to improve the quality of education and skills development in preparation of the workforce according to labour market needs.**

**Japan**

* In para 31 or 32, Japan proposes to make explicit reference on universal health coverage, which is in target 3.8 of the OWG report which reads: “Achieve universal health coverage, including financial risk protection”. The concept of UHC includes financial protection and is not only about health care coverage. In this respect, UHC is most relevant to domestic public finance agenda

**Sweden**

* Strengthen gender in this paragraph

**Turkey**

* Add: **easy** access to essential […]
* Add: **financially, fiscally, economically sustainable and** nationally appropriate social protection systems […]

1. 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 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.

**Groups:**

**G77 & China**

* Delete

**EU**

* We would prefer not to mention specific sectoral spending targets in that para. It is important that the FfD framework addresses issues and identifies actions relevant to all goals and targets in a balanced way

**African Group**

* Providing access to basic social infrastructure, capacities are limited, welcome international support, acknowledge constraints of SIDS, also in para 19

**AOSIS**

* AOSIS supports the G77 proposal to delete this paragraph.
* However, if it is recrafted, AOSIS’s position is to ensure the situation of countries with limited resources and narrow economic bases is reflected by adding “with limited resources and narrow economic bases” in the last sentence after ‘other vulnerable countries’

**Arab Group**

* Need language on how to implement this – what are the modalities for international support. Need specifics.

**LDCs**

* Elaboration of essential services which “include among others, health, education, water and sanitation, energy and shelter”

**PSIDS**

* Special situation in SIDS deserves special mention here, esp for international support in efforts to provide universal access

**G77 Members:**

**Brazil**

* “Reasonable package”, not “minimum package”

**Colombia**

* Need to link to availability of revenue.
* Need to include the recognition of private sector role in providing social services

**Ethiopia**

* Need to provide access to social services, but it is unclear if the benchmark refers to dollar figure or the overall goal of universal access – it should be clearer
* Minimum package of essential services should be “nationally agreed package”

**India**

* Dollar figure too prescriptive and interfering with policy space

**Philippines**

* The document highlights the importance of increasing public spending to secure adequate investment for the provision of universal access to basic social infrastructures and inclusive social services, such as health and education. The Philippine government has strongly recognized the importance of increasing public spending on infrastructure to be at par with other competing economies and to meet the country's future growth requirements, especially as a result of increase in population and urbanization.

**Rwanda**

* Targets are not desirable – countries should be allowed to allocate for themselves.

**Other Member States:**

**Australia**

* We need to be clearer about what these targets are intended to cover, for example on “effective public services.”
* While we support aspirational goals, we should also recognise that different ratios will apply to different economies depending on their structure and levels of development.
* Add a sentence to link directly back to the national sustainable development strategies in paragraph 7

**Canada**

* Canada generally supports adequate investments to ensure access to basic social infrastructure and inclusive social services. However, any commitment to increase spending should be specific to those countries who do not already meet the proposed expenditure benchmark of $300 per capita or 10% of GDP on essential public services

**Liechtenstein**

* Change: every ~~woman, every child~~ **individual […]**

**New Zealand**

* We would appreciate understanding what this data is (re: $300 target)
* We also suggest that the document spell out what is referred to by the term “essential public services”.

**Russia**

* Where does $300 figure come from? We have strong reservations

**Republic of Korea**

* We welcome the benchmarks
* Add the legitimacy benefits of public spending on social services
* We should refine the specific targets

**Turkey**

* Add: **We agree to encourage countries with high public spending rates to improve effectiveness of their public spending and engagement of private sector to sustainable development.**

1. 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.

**Groups:**

**G77 & China**

* Delete

**EU**

* We want to maintain reference to the need to put in place the right incentives for promoting a low-carbon economy (and para 34)
* Language on promoting carbon pricing policies and phasing out fossil fuel subsidies needs to stay in

**African Group**

* Link to trade and systemic issue, commodity price volatility, add agricultural subsidies here

**Arab Group**

* Delete
* If included, need to include trade distorting ag subsidies

**G77 Members:**

**Brazil**

* Certain subsidies might be needed for renewables

**Iran**

* There are other subsidies – such as agriculture subsidies.
* Reduction of subsidies should not harm the poor, need to offset with international resources
* Change: […] ~~gradually eliminat~~e **reduce and if possible phase out** harmful subsidies where they exist ~~including fossil fuel subsidies for~~ **with the objective of phasing out unsustainable patterns of** production and consumption**, and doing so, we agree to do so in ways that avoid** ~~minimizing~~possible adverse impacts in a manner that protects […]

**Lebanon**

* Delete

**Saudi Arabia**

* We do not agree with singling out of subsidies in a particular sector or specific products.
* This could have adverse impacts on developing countries development and economic growth. It should be fully deleted.

**Other Member States:**

**Canada**

* We agree with what is proposed in paragraph 33 but suggest that reference be made to fossil fuel subsidies that are “inefficient” in order to ensure consistency with G20 and APEC commitments

**Germany**

* We support this

**Iceland**

* Add: consumption **and fisheries subsidies** […]

**Mexico**

* We support this

**New Zealand**

* We fully support global efforts to phase out harmful and inefficient fossil-fuel subsidies that encourage wasteful consumption and undermine sustainable development. Such actions would help to achieve significant environmental, energy security, economic and social benefits, both for nations themselves and globally. OECD and IEA research suggests that subsidy phase-out could lead to a 12% reduction in global greenhouse gas emissions by 2020, compared with business as usual, and help keep global warming below the agreed 2 degrees.
* We do not agree with those delegations suggesting that paragraph 33 be deleted. We propose drawing on agreed Rio+20 wording - countries were encouraged to reaffirm their commitment to phasing out fossil fuel subsidies and others invited to consider doing likewise: We will work to gradually eliminate harmful **and inefficient** subsidies, where they exist, including fossil fuel subsidies ~~for production and~~ **that encourage wasteful** consumption **and undermine sustainable development**, minimizing possible adverse impacts in a manner that protects poor and disadvantaged communities.”

**Russia**

* Replace whole para: **We reaffirm the commitment to phase out harmful and inefficient fossil fuel subsidies that encourage wasteful consumption and undermine sustainable development. We invite others to consider rationalizing inefficient fossil fuel subsidies by removing market distortions, including restructuring taxation and phasing out harmful subsidies, where they exist, to reflect their environmental impacts, with such policies taking fully into account the specific needs and conditions of developing countries, with the aim of minimizing the possible adverse impacts on their development and in a manner that protects the poor and the affected communities.**

**Sweden**

* We support this, language needs further strengthening with mechanisms and standards

**Switzerland**

* We support this in its entirety
* Carbon Pricing and the removal of harmful subsidies are essential to shift brown to green investments. We also agree with putting in place mechanisms for natural capital accounting to make more transparent the environmental externalities of our policy and investment decisions.

1. 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.

**Groups:**

**G77 & China**

* Delete

**EU**

* See para 33 comments

**Arab Group**

* Delete

**G77 Members:**

**Brazil**

* Delete carbon pricing

**Iran**

* Delete first line: ~~We agree to work towards putting a price on carbon, and to consider taxes that put a floor on fossil fuel prices for consumers.~~

**Lebanon**

* Delete

**Peru**

* In order to avoid misinterpretations, it is hereby suggested to use the terms “minimum tax” or “base tax” instead of the expression “to put a floor” on fossil fuel prices.
* It is also hereby stated that the paragraph should be focused in putting a price on carbon in accordance with the modality better fitting the necessities and possibilities of each country. In this regard, the term “agree” should be replaced by “encourage”, as referred to the work towards putting a price on carbon.

**Saudi Arabia**

* Delete
* This is a highly contentious issue, on which global consensus is highly unlikely. Besides, we believe that UNFCCC is the right place to debate climate change related issues. Besides, if at all, the notion of carbon price or carbon tax should be considered for both the stock and flow of carbon, so that the carbon stock attributable to advanced countries can be transparently reported and linked to the provision of climate finance.

**United Arab Emirates**

* Delete

**Other Member States:**

**Australia**

* We support generally carbon pricing, but we don’t like specificity on price floor on fossil fuels,
* We should allow country space and encourage flexibility

**Canada**

* We do not agree with the proposal in paragraph 34 to require carbon pricing and taxes, and would propose its deletion. Countries should be able to choose from a broad variety of policy options that suit their particular circumstances

**Germany**

* We support this

**Russia**

* Delete

**Sweden**

* We support this, language needs further strengthening with mechanisms and standards

**Switzerland**

* We support this in its entirety

1. We note with concern the large financing gaps in areas crucial for sustainable development, including infrastructure, agriculture, and innovation, as well as financial inclusion. We acknowledge the important role that national development banks (NDBs) can play in filling these gaps, particularly in credit market segments in which commercial banks do not act, or do so only partially, such as to MSMEs. We acknowledge that NDBs also play a valuable countercyclical role, especially in cases of crisis when private sector entities become highly risk-averse. Development banks can play a critical role in alleviating constraints on investment in infrastructure and we call on them to expand their contributions in this area.

**Groups:**

**G77 & China**

* We note with concern the large **national and international** financing gaps in areas crucial for sustainable development, including infrastructure, agriculture, **industrialization, science, technology** and innovation, as well as **promote** financial inclusion. We acknowledge ~~the important role~~ that national development banks (NDBs) can play **a role** ~~in filling these gaps~~, particularly in credit market segments in which commercial banks do not act, or do so only partially, **including** ~~such as to~~ MSMEs. We acknowledge that NDBs also play a valuable countercyclical role, especially **during** ~~in cases of~~ **financial** crises when private sector entities become highly risk-averse. Development banks can play a critical role in alleviating constraints on investment in infrastructure and we call on them to expand their contributions in this area **and further urge relevant public and private actors in developed countries to support NDBs in developing countries in this regard.**

**35bis. We call for enhanced international support in developing domestic capital market including share and bond markets in LDCs and cushioning against any kind of uncertainties that may associate with the bonds in the form of rollover risk, currency risk and greater macroeconomic volatility**

**G77 Members:**

**Brazil**

* Need to commit to providing supporting international economic environment for NDBs and not undermine them
* Include RDBs mention here please

**Saudi Arabia**

* Delete: ~~and innovation~~

**Sri Lanka**

* Take initiatives to encourage commercial banks to improve credit accessibility to MSMEs

**Other Member States:**

**New Zealand**

* Add: […] **well functioning** NDBs […]

**Turkey**

* We support this para

1. 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 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.

**Groups:**

**G77 & China**

* 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 **and technological** capacity, financing and support. We therefore commit to **scale up international cooperation to strengthening capacity** develop mechanisms to 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**, adaptation** and mitigation of external shocks and risk management is needed. We must also ensure appropriate local community **capacity building** ~~participation~~ in decisions affecting their communities, based on country circumstances.

**EU**

* Support text on strengthening decentralization. There should also be a reference to the mobilisation of revenues at sub-national level where appropriate.

**African Group**

* Call for project prep facilities, such as NEPAD project prep facility
* Also need to strengthen capacities, including reinforcing customs and law enforcement agencies

**LDCs**

* Add: **We call for enhanced international support in developing domestic capital market including share and bond markets in LDCs and cushioning against any kind of uncertainties that may associate with the bonds in the form of rollover risk, currency risk and greater macroeconomic volatility.**

**G77 Members:**

**Brazil**

* Add: **adaption and mitigation of external shocks**

**Saudi Arabia**

* This document is about sustainable development, not climate change agenda.
* As mentioned above it is important to establish that UNFCCC is the UN body responsible for climate change and to ensure no spillover of discussions.
* Change: ~~climate friendly policies and investments~~ **policies and investments that promote sustainable development**

**Other Member States:**

**Australia**

* Acknowledge the recent Sendai outcome, with some short textual changes capturing this at paragraphs 8 and 36 (capturing cities) in this regard

**Canada**

* Don’t call for mechanisms, just strengthen capacity

**Russia**

* Change “sub-national” to “local”
* 4th line: need exact information on mechanisms, otherwise cannot commit
* Change: We therefore ~~commit to develop~~ **stress the need to strengthen** mechanisms to assist them …

**Turkey**

* 4th line, change to “human, operational and institutional capacities”

## B. Domestic and international private business and finance

**Groups:**

**G77 & China**

* Title: Departs from Monterrey structure and title [G-77]. Does not call for action as Monterrey and Doha did. Also, do we need to use sources as titles for these chapters? They seem to be moving away from mobilization of sources for development to dictating how countries use these resources.
* Private finance should not take primacy over public finance.

**EU**

* Harnessing the potential of multi-stakeholder partnerships and private entrepreneurship is central to sustainable development. The zero-draft should highlight the fact that private finance, including finance from institutional investors is larger than all public resources combined. It should offer a generally more positive narrative on the significant potential that effective engagement of the private sector for sustainable development holds.
* Need additional para in section with reference to sustainable public procurement.
* Balance the text on public-private and multi-stakeholder partnerships and innovative finance including blending, guarantees, equity, and other risk-sharing instruments, so as to have a more holistic approach to leveraging funding. Ensuring the right form of engagement by the private sector, and incentivising its positive contribution to sustainable development, will be one of the key challenges for the implementation of the post-2015 agenda.

**African Group**

* We call for the International financial institutions and Regional development banks to upscale their operation, including concessional loans and technical support for projects in infrastructure areas where private sector investment has in the past been limited.
* We underscore the need to sustain sufficient and stable private financial flows to developing countries, in particular African countries.

**LDCs**

* All relevant actors, large institutional investors such as sovereign wealth funds, pension funds, and business community need to play a key role. Infrastructure, industrialization, SMEs should be the focus. FDI must employ maximal local content, e.g. managerial content. Encourage linkages backwards and forward of supply chain, and linkages with global value chain.

**G77 Members:**

**Bangladesh**

* It is not supported by evidence that private sector resources have generally been aligned to the development needs in the developing countries, especially in the LDCs and it would be overemphasized that the domestic private sector could successfully align behind the public sector due mainly to the fundamental difference between the two types of investments.

**Brazil**

* Recommend going back to the original Monterrey wording

**China**

* Welcomes institutional investors’ roles in current text, but is cautious on possibility of overemphasizing their roles.

**Ethiopia**

* Section should more forcefully articulate the critical role of domestic private finance and small businesses.

**India**

* The separation of private flows from domestic resource mobilization seems artificial

**Nepal**

* Emphasize the need different type of support for LDCs and LLDCs to harness private sector investment.

**Other Member States:**

**Iceland**

* Strengthen language on gender

**Japan**

* Japan supports the structure of this section, including combining domestic and international private financing. I also welcome the way the paragraphs in this section are arranged in the bottom-up order starting from issues of financial inclusion, then to SMEs, then to FDIs and to macro-policy issues.
* While some aspects of private finance such as financial inclusion is more relevant to domestic private sector and others such as large-scale economic infrastructure is more relevant to foreign direct investment, there are a lot of commonalities with regard to the enabling environment for private economic entities regardless of their origin, homegrown or foreign. For these reasons, it is most appropriate to deal with domestic and international private finance in an integrated manner.

**Latvia**

* Need more ambitious language on gender equality, leadership role of women, and commitment to promote participation of women

**New Zealand**

* No focused attention in this section on importance of financing by provident funds, pension funds, sovereign wealth funds etc, both domestic and international. Propose that consideration be given to including reference to the impact that could be achieved if their resources were invested in sustainable development.

**Norway**

* Would have liked to see a concrete reference to the UN Guiding Principles on Business and Human Rights.

**Russia**

* Revise title to **“Mobilizing international private resources for development, including foreign direct investment”**

**Switzerland**

* Title should remain as is. While the section on private finance highlights the importance of aligning all financing flows with sustainable development objectives, the draft falls short in promoting concrete ideas that could make this happen. One example where this should be done is linking migrant remittances with financial inclusion strategies. Another one is providing more clarity on the concept and use of blended finance for sustainable development. Finally, we also believe that the text could do more to promote the use of impact investment.

**United States**

* We welcome the opportunity for a discussion on domestic and international private business and finance today. Such a discussion is in line with the approach of Monterrey and Doha, which sought to mobilize the full possible spectrum of flows for development. The private sector is a critical engine for sustainable development. From financing infrastructure; to delivering transport, telecommunications, power and other utilities through public-private partnerships; to investing in research and development, training workers, and creating jobs and income-earning opportunities – including for the poorest households and enterprises – domestic and international private business and finance will play a crucial role in the Financing for Development framework.
* We welcome the emphasis on financial services and foreign direct investment (FDI) in the zero draft. Representing the single largest external resource for developing countries, FDI makes raising rates of capital accumulation in both physical and human resources possible.
* However, to deliver on a universal Post-2015 Development Agenda, there are elements of the zero draft that must be strengthened. While financing is necessary for development, it is not sufficient – there are more effective and efficient ways that financing can be used for greater development impact. The Monterrey and Doha outcomes both emphasized the important role that policies play in attracting and enhancing inflows of productive capital, including developing transparent, stable, and predictable investment climates, with proper contract enforcement and respect for property rights that unleash entrepreneurial dynamism. Conditions that attract private capital, encourage businesses to operate with confidence, and unleash the creativity of entrepreneurs who develop innovative products and services, start companies and create jobs can help us to seize the full benefits of development.
* Creating the right enabling environment for infrastructure investment will also help unleash private sector financing for resilient infrastructure. Investment in infrastructure is needed for sustainable development and to boost and deliver basic services critical for poverty reduction. Rather than a “new global initiative” referenced in para. 53, which could create conflicts with the existing domestic and international infrastructure architecture, we think it is important for existing institutions to address the legal, regulatory and structural constraints to long-term project finance. We should encourage domestic and international financial institutions to help increase the number of bankable infrastructure projects by providing technical and financial assistance for feasibility studies, project preparation, and deal structuring.
* As we all agreed in Rio three years ago, the active participation of the private sector is necessary to the achievement of sustainable development. We support national regulatory and policy frameworks that enable business and industry to innovate, invest, and transform technology into employment and inclusive economic growth. Our efforts through the public sector can help mobilize and encourage the flow of private sector resources toward sustainable development. However, the United States has reservations about language in paras. 38, 39, 41, 43, and 46 that implies a more directive role of for governments, or compromises the independence of regulators. Evidence strongly suggests that policies attempting to direct business investments, can lead to corruption and result in distortive, ineffective market outcomes that favor the politically-connected elite at the expense of the poor. We must learn from experience and acknowledge that an overly heavy government hand in regulating policies or attempting to incorporate worthwhile objectives such as sustainable development do not instead deter private investment, or hinder entrepreneurs and small and medium enterprises, which often bear the burden of prescriptive policies. Some of the prescriptive language in the zero draft must be reconsidered with long-term development in mind.
* We welcome the growing number of businesses that incorporate voluntary environmental, social, and governance (ESG) factors into investment analysis and decision-making, as they may offer investors potential long-term performance advantages by better integrating sustainability into their business models. However, ESG factors must be calibrated by context and capture variation between industries and asset classes to be effective. So we have significant concerns with language in paras. 40 and 48 suggesting mandatory reporting for the private sector.
* The world has continued to evolve, and a growing array of private domestic and international sources of finance – including supply chain finance, seed and angel funding, crowd funding, and philanthropic giving – are also important sources of development finance. Continuing innovations in philanthropic giving, including program-related investments and financing approaches that encourage a focus on development outcomes, could play a significant role in helping to achieve sustainable development objectives.
* We believe that the zero draft would also benefit from further emphasis on financial inclusion in paras. 43, 44, and 46. We must acknowledge the full array of financial services in our discussion on financial inclusion – including payments, savings, credit, and insurance. Fundamentally, financial inclusion is about empowering people and channeling their talents and entrepreneurship and encouraging businesses to operate, including the small and medium-sized enterprises that provide so many jobs. We believe a well-regulated and transparent financial sector with adequate consumer protection will help to better harness finance flows to deepen financial inclusion.
* Remittances can constitute an important stimulus to domestic demand and serve an as informal source of social protection in some countries. The United States is committed to the G7 and G20 objective of a reduction of the global average costs of transferring remittances to five percent, and through domestic legislation we have increased transparency, bolstered consumer rights and created a financial services consumer protection authority. However, we also acknowledge the trade-offs inherent in trying to drive costs to zero. We are concerned that pressing remittance services providers to lower costs below a certain level, as suggested in para. 44, could create a disincentive for them to continue providing this market-based service – leaving the poorest customers behind. That said, we believe a competitive and transparent market for remittance services lends itself to lowering costs, so this point needs to be strengthened in the zero draft.
* Governments, businesses and households all play an important role in achieving resource efficiency and minimizing the negative impact on our planet. We resolve to public policy that seeks to foster and incentivize resource efficiency practice.

1. 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, which combines a return on investment with social and environmental impacts.

**Groups:**

**G77 & China**

* ~~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, which combines a return on investment with social and environmental impacts.~~

**37alt. Private international capital flows, particularly foreign direct investment, along with international financial stability, are vital complements to national development efforts. We will promote measures in source and destination countries to improve transparency and the information about financial flows and take measures that mitigate the impact of excessive volatility of short-term capital flows. We will direct foreign direct investment toward financing sustained economic growth over the long term. We will create the necessary domestic and international conditions to facilitate direct investment flows, conducive to achieving national development priorities, to developing countries, particularly Africa, least developed countries, small island developing States, and LLDCs, middle income countries.is**

**37altbis. We acknowledge the role of private business activity, investment and innovation as major drivers of increased productivity, for its potential to transfer knowledge and technology, job creation, economic growth, which provide people with the opportunity to overcome poverty and inequality. Building on Monterrey, we will continue to promote enabling conditions for inclusive and sustainable private sector investment, subject to the regulatory authority of the State. We will ensure that businesses sector embrace corporate responsibility, good governance and take full account of development, environmental and social impacts in all their activities, while protecting labor rights and taking into account the fundamental principles of domestic law.We reaffirm that every State has, and shall freely exercise full permanent sovereignty over, all its wealth, natural resources and economic activity. In this regards, we invite the private sector to invest in industrial transformation of natural resources in countries of origin and support industries that create productive employment and strengthen local communities.**

**EU**

* Harnessing the potential of the private sector will only be successful if private sector engagement is welcomed as an opportunity, and if enabling conditions for inclusive and sustainable private sector investment and practices are created. The zero-draft's acknowledgement of "the role of private business activity, investment and innovation as major drivers of increased productivity, decent job creation, sustainable consumption and sustainable economic growth, which provide people with the opportunity to overcome poverty and inequality" could be further developed while strengthening the shift towards sustainable development, including through sustainable consumption and production patterns.
* Want to see here an explicit reference to Corporate Social Responsibility (CSR), which is an internationally-recognised concept, and this also applies to para 40. CSR, including its environmental dimension, should be a central element of private sector business management, investments and reporting. Language on that in the text needs to be strong and coherent. Interactions between CSR and SDGs should be highlighted.
* Explicit reference to the UN Guiding Principles on Business and Human Rights, the eight ILO Conventions, the OECD Guidelines on Multinational Enterprises and the MEAs should be made when referring to CSR.
* For paras 37 to 39 - welcome the zero-draft's support for responsible business practices; however their contribution to sustainable development could be further emphasized. Could refer to the importance of actions and tools including financial services for Small and Medium Sized Enterprises and a sound financial infrastructure and local banking sector to help the private sector achieve positive development results as part of core business strategies.

**AOSIS**

* AOSIS supports G77’s proposed deletion of 37 and its proposal for 37alt.
* Foreign Direct Investment is particularly important for economic stability with SIDS and its decline is reflected in SAMOA Pathway (Para 23).

**Arab Group**

* Add sentence to recognise regulatory authority of the state.
* Call on private sector to operate in concert with int’l standards

**G77 Members:**

**Nepal**

* We would like to urge that ‘**different programs to improve the current level of savings in the LDCs will be carried out’** be mentioned in the opening para of this section.

**Saudi Arabia**

* Add: corporate **social** responsibility
* Change: […] which combines a return on investment with social and environmental ~~impacts~~ **benefits’**.

**Other Member States:**

**Australia**

* Building domestic capital markets should be clearly referenced in paragraph 37 with the inclusion of a sentence which reads: **This includes addressing issues around access to debt finance, primarily through the development of domestic capital markets.**

**Latvia**

* Need strong emphasis on potential of private actors to contribute to sustainable development.

**Liechtenstein**

* In second sentence, replace ~~overseas workers~~ with **migrant workers** because “migrant workers” is the term used in the OWG outcome paper (target 8.8)

1. 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.

**Groups:**

**G77 & China**

~~Nonetheless~~, we recognize that business practices need to be ~~more~~ in line with sustainable development ~~objectives~~ **especially sustainable patterns of production and consumption**. Many people still lack access to financial services, and FDI largely bypasses countries most in need. **In this regard, we draw attention to the fact that international organizations have recognized the problem posed by misperception of risks of investments in developing countries. We commit ourselves to find ways to assess more accurately the risk existing in those countries in particular we will look for alternative risk assessment to those undertaking by private credit rating agencies. Moreover** We acknowledge ~~risks associated with excessive leverage, the short-term nature of many investments~~, and the importance of the **creation of incentives to foster long term investment and to promote 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.

**EU**

* We welcome the zero-draft's attention to the responsibility of governments to develop regulatory systems to align business incentives with sustainable development, including the social and environmental performance of products. In addition, and to help unleash private sector potential, governments should ensure that the regulatory environment is conducive to supporting entrepreneurship, makes it simple to set up businesses, and avoids unnecessary red tape and burdens for doing business, particularly for small and medium sized companies.

**AOSIS**

* AOSIS supports the language proposed by G77.
* The Alliance further supports this paragraph’s call for private sector engagement. Since the kinds of sustainable development challenges faced by SIDS require long-term investment, as well as creativity and innovation, this is reflected in SAMOA Pathway (Para 99)

**G77 Members:**

**Sri Lanka**

* It is necessary to form an international body to support governments to develop regulatory systems to align business incentives with sustainable development.

**Other Member States:**

**Australia**

* It is the responsibility of governments to create enabling environment. Need language in paragraph 38 which notes that it is the responsibility of governments to create the right investment climate for sustainable development

**France**

* At end of para, add that incentives should be clearer to reorient private flows towards sustainable development in all its dimensions.
* This paragraph is inextricably linked to para 34 on carbon pricing, as to achieve the SDGs we need the rules and the tools to enable private actors to make good decisions.

1. We support the many initiatives to formulate and adopt principles for socially and environmentally responsible investment and business activities and 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.

**Groups:**

**G77 & China**

* **We commit to ensure that business and companies, especially those with global systemic impact, fully respect and apply UN principles and agreements within and all along their supply chains and activities**. We **take note of** ~~support~~ the ~~many~~ initiatives to formulate and adopt principles for socially, **economically** and environmentally responsible investment and business activities and ~~invite~~ **call on** businesses to sign on to and apply these principles. Such principles should also address business’ role in preventing and fighting corruption, **illicit financial flow and tax evasion** We welcome the work by the United Nations Conference on Trade and Development (UNCTAD), the United Nations Environment Programme (UNEP), **the United Nations Industrial Development Organization (UNIDO)** CFS, the Global Compact, **the Group of Friends of paragraph 47 of the outcome document of Rio+20,** 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.

**EU**

* Contribution of responsible business practices to sustainable development should be emphasized – refer to SMEs etc.

**G77 Members:**

**Brazil**

* Address the role of business in fighting corruption

**Sri Lanka**

* Work with industry groups, national regulators, international accounting standard-setting bodies and international audit-setting bodies to identify industry-level metrics that could frame generally acceptable sustainable development accounting principles and audit standards consistent with international goals and targets for sustainable development.

**Other Member States:**

**Australia**

* Domestic market must be clearly referenced here. This includes addressing issues about access to debt financing, primarily through domestic capital markets.
* Address financial inclusion (including focusing on gender and targeting small and medium enterprises (SMEs) in paragraph 39

**Liechtenstein**

* Add: Such principles should also address business’ role in preventing and fighting corruption **at all levels and all its forms**.
* “at all levels and in all its forms” includes any type of corruption that can occur, including petty corruption. This formulation is also used in GA resolution 69/199 and its predecessors.

**Russia**

* Clarify definition of “CFS”. Insert **Committee on World Food Security**

**Turkey**

* ~~We support the many initiatives to formulate and adopt principles for socially and environmentally responsible investment and business activities and invite businesses to sign on to and apply these principles.~~ **Many initiatives can be supported for business activities which could provide an enabling environment for sustainable development.** Such ~~principles should~~ **initiatives could** 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.

1. 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 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.

**Groups:**

**G77 & China**

* These initiatives should be complemented by appropriate national regulations, in line with national **policies and priorties** ~~strategies~~. We agree to create strong regulatory frameworks on **corporate sustainability**  ~~ESG practices~~, including **through plans designed by governments to promote the adoption of sustainability reporting for companies, especially large ones with global reach in an integrated manner with their financial reports whenever possible** ~~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 International Labour Organization~~ and key Multilateral Environmental Agreements. We will **endeavour to** adopt **national** policies to internalize externalities, **as appropriate,** such as the “polluter pays principle”, through **polices such as** ~~a combination of~~ taxation, regulation and other measures, **in accordance with national policies and priorities while bearing in mind the principle of CBDR at the global level and ensuring adequate support to developing countries to implement these policies** ~~in line with national strategies~~.

**EU**

* While we welcome the reference to the importance of integrated reporting, we cannot accept the suggestion to move towards “mandatory integrated reporting for large companies”. We would prefer something along the lines of: “a framework for reporting of non-financial information for large companies”.
* The key to harnessing the private sector's potential is an enabling environment at country level for both domestic and international investors, big and small. The importance of this message cannot be overemphasized. We would want to see more on the key role of the private sector and its innovation potential in the transition to a green economy. There should be a reference to Natural Capital Accounting.

**G77 Members:**

**Brazil**

* Delete reference to polluter pays or bring in CBDR

**Peru**

* On Paragraph 40, it is hereby noted that developing countries the establishment of a mandatory integrated reporting framework for large companies, its time of adoption and the definition of “large companies”, should acknowledge the institutional differences amongst countries, in particular the level of development. The document does not contain a definition of “large companies”, and it does not contain either precision on the contents of ESG reports. This could generate duplicities and inefficiencies in regard of management instruments already requested from the private sector. *In this regard, the second sentence of the paragraph under consideration should be deleted.*
* ~~We agree to create strong regulatory frameworks on ESG practices, including mandatory integrated reporting for large companies to be adopted by 20xx.~~

**Saudi Arabia**

* Reference to ESG needs more clarification.
* Delete: ~~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 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.~~

**Other Member States:**

**Australia**

* Soften language on mandatory integrated reporting, use “encouraging reporting on ESG” to allow flexibility.
* Refer to undertaking business and consumer policy reform.

**Canada**

* Canada recognizes that environmental and social safeguards for the private sector are important and that such safeguards could be based on, for example, the UN Guiding Principles on Business and Human Rights. We also believe a country’s regulatory framework should be consistent with the international norms it has agreed to adopt, such as the labour standards of the International Labour Organization. In this respect, language could be included on the need for countries who have adopted ILO conventions to include measures to secure the prohibition and elimination of the worst forms of child labour. We would however strike the reference to mandatory reporting, as countries should retain the ability to select the reporting requirements that best reflect their national circumstances. We would propose deleting the sentence about “internalizing externalities” as confusing to the general public. Failing that, we believe that we should “**consider**” (not “adopt”) policies to internalize externalities as these are only one factor taken into consideration when deciding whether or not to adopt a policy.

**Iceland**

* Add: […] national strategies **and international recognized instruments such as UNCLOS.**

**Latvia**

* Like to see more coherent language for enforcing commitments. Private actors should be held more accountable to human rights standards, UN standards, guidelines of ILO/OECD etc. Also need more explicit action at country level. Governments should ensure regulatory environment is attractive to international investors.
* Also pay more attention to needs of SMEs and their integration in global value chains. Minimize administration.
* Emphasize shift to more sustainable consumption and production patterns. Emphasize key role of private sector to transition to green economy.
* On the adoption of policies to internalize externalities, it is hereby suggested to include in the paragraph under consideration a tentative enunciation of the mechanisms that could be established by each country in accordance with its national circumstances.

**Liechtenstein**

* “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 **relevant international human rights treaties, the** labour standards of the International Labour Organization and key Multilateral Environmental Agreements.”
* Rationale: Development can only be inclusive if the private sector meets all human relevant rights obligations.

**Russia**

* Cannot commit to create structural frameworks on ESG practices without knowing what we are going to do. Clarifications needed.
* Bracket: [We agree to create strong regulatory frameworks on ESG practices, including mandatory integrated reporting for large companies to be adopted by 20xx.]

**Switzerland**

* Believes that the internalization of externalities is necessary. Consequently, Switzerland welcomes the existing relevant wording in paragraph 40. Also, we need to leverage synergies between the growing movement of responsible investment, corporate sustainability and the SDGs. In this regard, we support and encourage private investors to consider the environmental, social and governance impacts of their decisions and welcome the improvement of regulatory frameworks, where appropriate. We would also hope that a revised version of the paragraph will add the *UN Guiding Principles on Human Rights,* including a reference to encouraging countries to put in place a national implementation strategy for these principles, which is what Switzerland is currently doing domestically. Internalization of externalities is necessary

1. We acknowledge the importance of robust regulatory frameworks that encompass all financial intermediation, from microfinance to international banking. We will work to ensure that our policy and regulatory environment supports financial market stability, while promoting access to finance, in a balanced manner. We will also work to design capital markets regulation that promotes incentives along the investment chain that are fully aligned with long-term performance and sustainability indicators.

**Groups:**

**G77 & China**

* We acknowledge the importance of robust regulatory frameworks **within the UN mandate** that encompass all financial intermediation, from microfinance to international banking. We will work to ensure that our policy and regulatory environment supports financial market stability, while promoting access to finance, in a balanced manner. We will also **endeavour to** work to design capital markets regulation that **reduces excessive volatility,**  promotes incentives along the investment chain ~~that are fully aligned with long-term performance and sustainability indicators~~ **and that disincentivise excessive speculative capital flows.**

**G77 Members:**

**Ethiopia**

* At end, add: **Developing countries will need assistance to promote access to finance for all, in a balanced manner**.

1. 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.

**Groups:**

**G77 & China**

* Evidence shows that gender equality**, empowerment of women** 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 **people living in vulnerable situations** ~~the poor and the vulnerable~~, have equal rights to economic **development** ~~resources~~, as well as access to basic services, ~~ownership and control over~~  **access to** land and other forms of property, **such as goods and services,** ~~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 **work** ~~employment~~, equal pay and equal opportunities.**as well as opportunities in participating in leadership and decision making.**

**EU**

* We welcome the strong language on gender perspective, especially on gender equality and women's empowerment. It should also stress the importance of investing in children that is critical to achieving inclusive, equitable and sustainable human development for present and future generations.

**AOSIS**

* AOSIS supports the language proposed by G77.
* Achieving gender parity and equality remains a high priority for SIDS. The need for engagement of the private sector on gender equality is highlighted in the SAMOA Pathway (Para 27(h), 40, 77(e), and 77(i)).
* AOSIS also maintains a strong stance on providing microfinance as well as further mechanisms for support to micro-enterprises. (see also paras 10, 14, 41, 42, 43 and 46).

**Arab Group**

* Delete: 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.

**G77 Members:**

**Brazil**

* Must not commoditize women and their role in development (i.e. gender equality’s purpose is not to improve the profitability of business). Include reference to CBDR.

**Lebanon**

* Delete: 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.

**Saudi Arabia**

* We require further clarification on methodologies used to determine the outcomes reflected in this paragraph.
* Delete: ~~To this end, we reaffirm our commitment to eliminate gender-based discrimination in all its forms~~.
* This interferes with faith-based inheritance law followed by more than a billion people. Inclusion of this word is totally unacceptable. Change: We commit to ~~ensure that all men and women, in particular~~ **promoting economic opportunities for all me and women, especially** 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.
* There is no common understanding of what “full employment” means in the context of women. Change: 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 **for women**.

**United Arab Emirates**

* Delete: 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.

**Other Member States:**

**Canada**

* Canada believes the appropriate reference is to all men and women having equal rights **of access** to economic resources.

**Iceland**

* Strongly supports para and to strengthen proposes inserting as the second sentence: **We recognize the leadership role of women and we resolve to promote gender equality and the empowerment of women and to ensure their full and effective participation in sustainable development policies, programmes and decision-making at all levels**.

**Latvia**

* Need more ambitious language on gender equality

**New Zealand**

* In the context of women’s empowerment, competitiveness can end up being a race to the bottom.
* Changes: Evidence shows that gender equality and women’s ~~full~~ **economic** participation ~~as economic agents~~ improves the ~~profitability and competitiveness~~ **productivity** 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 **access** ~~rights~~ to economic resources, ~~as well as access to~~ basic services~~,~~ **and** ownership and control over land and ~~other forms of~~ property, inheritance, natural resources, appropriate new technology and financial services, including ~~microfinance~~ **finance and capital**.

**Switzerland**

* Need more emphasis on the gains that could be made through gender equality, including the economic gains that can be made by reducing discrimination.

1. 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, 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.

**Groups:**

**G77 & China**

* We **encourage the provision of** ~~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**, financial education and consumer protection** as ~~a~~ policy target**s** 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, **agricultural banks,** mobile network operators, payment platforms, agent networks, cooperatives, postal banks and savings banks. We encourage the use of innovative tools **in** **information and communication technologies**, including mobile banking and digitalized payments to promote inclusion, **as appropriate** ~~while ensuring consumer protection and promoting financial literacy~~. We commit to increase resources for capacity development **for developing countries,** and expand~~ing~~ peer learning and experience sharing **among countries and regions** including through **initiatives such as** 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~~.

**EU**

* Need more emphasis on the need for transitioning from informal to formal economy for strengthening domestic resources mobilisation and improving productivity, the financing and organisation of services and decent work.

**Arab Group**

* Add: […] microfinance institutions, **agriculture banks,** development banks […]

**Other Member States:**

**Canada**

* Supportive of the objectives contained in this paragraph. Indeed many are well advanced in Canada. We agree that adoption and review of national financing inclusion strategies must be done in consultation with the relevant national stakeholders. We believe government support should be provided “**as appropriate**” to the many institutions and channels outlined in this paragraph as this would reflect the fact that implementation will vary by country. We note that countries must make difficult choices about where to focus their limited resources; thus decisions about increasing resources for capacity development are best left to the countries themselves.

**Lichtenstein**

* Reference to of persons with disabilities is welcome, but paragraph can be strengthened in the area of infrastructure and education.

**Mexico**

* Add: target in financial inclusion **bearing in mind the positive impact of financial inclusion in the overall investments and savings**

**New Zealand**

* Add: […] including **indigenous peoples,** the poor, women, […]

**Russia**

* We commit to ensuring access to formal financial services for all, including the poor, women, **migrants, youth,** rural communities, ~~marginalized communities~~ and persons with disabilities and other vulnerable groups. 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 **balanced with improving financial literacy and financial consumer protection in order to reduce poverty, boost social and economic development as well as reach the greater financial wellbeing of those groups**. We will encourage […]
* Add: […] **the Global Partnership for Financial Inclusion,** the Alliance for Financial Inclusion […]
* Add reference to financial literacy, financial customer protection. Regulation should be balanced with those elements.
* Refer to global partnership for financial inclusion and regional cooperation in this area.

**Saudi Arabia**

* Change: stakeholders, and ~~include~~ **consider** financial inclusion as a policy target in financial regulation.

**Switzerland**

* A specific mention of migrants can be made.

**Turkey**

* Change: We commit to increase resources for capacity development and expanding peer learning and experience sharing, including through the **GPFI, CGAP,** Alliance for Financial Inclusion and regional organizations, which should work in close cooperation with initiatives by the World Bank, IMF, the United Nations, **the OECD** and academia.

1. 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.

**Groups:**

**G77 & China**

* **Remittances cannot be considered as a substitute for foreign direct investment, ODA, debt relief or other public sources of finance for development. They are typically wages transferred to families, mainly to meet part of the needs of the recipient households.** Remittances from **migrant** ~~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~~. **We will address unrestricted access to remittance transfer between states, promote conditions for cheaper, faster and safer transfer of remittances in both source of origin and recipient countries.** No remittance corridors should require charges higher than 5 per cent by 2030. In this regard, we ~~welcome~~ **take note of** 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, **in order** ~~with a view~~ to reduce the charge for a remittance transfer to less than 3 per cent of the amount transferred **by 2030.**

**EU**

* Welcomes the ambition to promote cheaper, faster and more secure remittances transfers, while stressing the need to maximise their impact on sustainable development and financial inclusion.

**AOSIS**

* AOSIS supports the language proposed by G77.
* AOSIS highlights the need to reducing the costs of remittances, as per the SAMOA Pathway (para 106(d)). In order to have actionable language in the document, AOSIS supports the inclusion of specific targets.

**Arab Group**

* Remittances are private and cannot be considered a source of finance for sustainable development. Delete second sentence.

**G77 Members:**

**Bangladesh**

* 2030 target is good. No evidence that this can be achieved, but it is indicative.
* The language in the paragraph is strong and the word “**encourage**” should be used in the second sentence on the integration of remittances into national financial strategies.

**Brazil**

* Paragraph should speak to well-managed migration policies and conditions for migrant workers.

**Ethiopia**

* On remittances (para 44) it is clear that they are important because they provide foreign exchange, as well as an opportunity for individuals to pull their families out of poverty, but it is unclear what is meant by how countries can “integrate remittances into their national financial inclusion strategies” . We would like clarity on this.

**Nepal**

* Para 44 talks about lowering the cost of remittance transfer, which is a welcome step. However, it lacks a clear direction on how to help mobilize remittances in capital creation and productive sector. In this context, we call for a manifestation in the zero draft that different supports will be provided to LDCs to utilize remittances in productive sector, and in creating jobs. Though remittance is solely the private money, which is out of government control.

**Somalia**

* Do not agree to integrate remittances into international financing. But agree to reduce cost by 2020. It is a private finance, and not part of national budget. Need for unrestricted access to remittance transfers and no barriers between states.
* Delete: ~~To enhance their impact on development, countries should integrate remittances into their national financial inclusion strategies.~~

**Other Member States:**

**Australia**

* Address the importance of remittances in paragraph 44 and reiterate the importance of reducing transaction costs to 5% but ensure that there is only one target in this respect and that we reinforce existing work of the G20 rather than confusing focus in a difficult and important area.

**Canada**

* Canada strongly supports efforts to lower the cost of transferring remittances and improve data collection. However, any target for reducing remittance transfer fees should be anchored in strong empirical evidence to ensure it is suitable and achievable.

**Liechtenstein**

* Change: Remittances from ~~overseas~~ **migrant** workers are a significant financial resource for households in many countries.
* Rationale: “Migrant workers” is the term used in the OWG outcome paper (target 8.8)

**Mexico**

* Remittances are private flows cannot be equated to ODA or other forms. Agree to eliminate remittance corridors by 2030. Strengthen G20 initiative to lower cost of remittances.
* Changes: Remittances from migrant workers are a significant financial resource for households in many countries. **We** r**ecognize that remittances are private flows which are the product of the hard work of migrant workers in countries of destination, usually used for enhancing the well-being of migrant workers families, and which cannot be equated to other international financial flows, including ODA and other forms of financial support for development. We commit to facilitate the transit of these flows by fully considering them** into ~~their~~ **our** national financial inclusion strategies. At the international level, we **encourage** countries **of origin and destination of migrants** to increase cooperation 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 to less than 3 per cent the transaction costs of migrant remittances **and eliminate remittance corridors with costs higher than 5 per cent by 2030. In this regard, we welcome and support a strengthening of the G20 initiative to lower the cost of remittances**.

**New Zealand**

* 2030 deadline for remittance is unambitious, replace 2030 with 2020.

**Switzerland**

* We welcome that paragraph 44 mentions the integration of remittances in national financial inclusion strategies. The focus remains however primarily on reducing the costs of transfer which does not capture the full picture. Acknowledging the significance of remittances is also acknowledging the role of migrants and their families. The key messages of this paragraph should therefore be the importance of enabling them to make informed decisions based on a broad and accessible offer of financial services.

**Russia**

* In first sentence, add at the end: **as well as for the micro, small and medium enterprises**.
* Bracket: [5 percent by 2030]
* Delete in last sentence: ~~with a view to reducing the charge for a remittance transfer to less than 3 per cent of the amount transferred~~.

**Turkey**

* Replace: countries ~~should~~ **can** integrate remittances

1. We welcome the rapid growth of philanthropic giving and the significant contribution individuals have made toward achieving our common goals. We encourage others to join those who already contribute, and call on all philanthropic providers to partner with us in our pursuit of sustainable development. We also call for increased transparency in philanthropy.

**Groups:**

**G77 & China**

* We welcome the rapid growth of philanthropic giving and the significant contribution individuals have made toward achieving our common goals. We encourage others to join those who already contribute, and call on all philanthropic providers to partner with us in our pursuit of sustainable development. We also call for increased transparency **and accountability** in philanthropy **as well as due consideration to local, social and cultural practices and values mindful of the national policies and priorities determined by government, including where applicable, in the UN development assistance framework with funds, programmes and specialized agencies.**

**G77 Members:**

**Brazil**

* Philanthropy needs to be fully accountable to people, governments, taking into account local social practices, local national priorities, and in line with the UN development assistance framework.

**Other Member States:**

**Australia**

* Engaging new actors, including philanthropies and other private sector actors.

**Mexico**

* Replace: […] the significant contribution ~~individuals have made~~ **it makes** toward […]
* Add the following words to the final sentence: **and for philanthropic engagement to be undertaken following the best identified international practices based on actual experiences**.

1. We recognize that SMEs often have difficulty in obtaining financing. NDBs, credit unions, and other financial institutions can play a vital role providing access to credit, including to SMEs. One of the biggest impediments to lending to SMEs is the lack of credit information and analysis. We will work to strengthen the capacity of financial institutions to undertake cost-effective credit evaluation, as through public training programmes, including establishing national credit bureaus where they do not already operate. We recognize the potential of new investment vehicles, including development-oriented venture capital funds, potentially with public partners, as well as innovative debt funding structures and securitization, with appropriate risk management. On an international level, we encourage IFIs and development banks to promote SME finance through investments and technical assistance. We welcome the work of the International Finance Corporation (IFC) and of regional initiatives in this area, and encourage increased knowledge sharing and capacity building at the regional and global levels as a priority area.

**Groups:**

**G77 & China**

* We recognize that **M**SMEs ~~often~~ have difficult**ies** in obtaining financing. NDBs, credit unions, and other financial institutions can play a vital role providing access to credit, including to **M**SMEs. One of the biggest impediments to lending to **M**SMEs is the lack of credit information and analysis. We will work to strengthen the capacity of financial institutions to undertake cost-effective credit evaluation, as through public training programmes, including establishing national credit bureaus where they do not already operate.We recognize the potential of new investment vehicles, including development-oriented venture capital funds, potentially with public partners, as well as innovative debt funding structures and securitization, with appropriate risk management. On an international level, we encourage IFIs and development banks to promote **M**SME finance through investments, **including in industrial transformation, the creation of credit lines targeting especially MSMEs** and technical assistance. We welcome the work of the International Finance Corporation (IFC) and of regional initiatives in this area, and encourage increased knowledge sharing and capacity building at the regional and global levels as a priority area.

**AOSIS**

* AOSIS supports G77’s proposed amendments in this paragraph.
* The reference to “SMEs” does not adequately capture the extent of the private sector, especially in SIDS. The definition of SMEs by financial institutions often excludes many of the micro-level enterprises that are prevalent in SIDS. Micro-enterprises and cottage industries make up a significant proportion of the private sector in many SIDS economies, yet they are largely overlooked throughout the zero draft. AOSIS promotes the inclusion of micro-enterprises alongside small and medium enterprises throughout the text (see also paras 10, 14, 41, 42, 43 and 46).

**G77 Members:**

**Bangladesh**

* Para 46: SMEs need to also be mentioned in the introduction (Paras 5 and 14) as well as here in order to properly reflect their importance.

**Sri Lanka**

* The sixth line should be read as “**operate while promoting cash-flow base lending rather than collateral base lending.**”
* NDBs. Credit unions and other financial institutions should also be encouraged to provide financial, risk sharing and consultancy assistance for the potential SMEs to reach the next levels; i.e. Small to Medium level and Medium to large scale.

**Other Member States:**

**Russia**

* Add: access to credit, **insurance and other basic financial services,** including to SMEs.
* Add: […] Corporation (IFC) and **other international financial organizations as well as** of regional […]

**Turkey**

* Add: work of **all Multilateral Development Banks (MDBs), including** the International Finance Corporation (IFC) and […]

1. To meet longer-term financing needs, we will work towards establishing long-term bond and insurance markets, where appropriate, while strengthening supervision, clearing and settlement in existing markets. Regional markets might be an effective way to achieve scale and depth not attainable when individual markets are small. We recognize that the nature of international portfolio investment has evolved over the past 15 years, and that foreign investors now play a significant role in some developing markets. 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 international level, we agree to strengthen regional, inter-regional and global fora for knowledge sharing, technical assistance and data collection.

**Groups:**

**G77 & China**

* To meet longer-term financing needs, we will work towards establishing long-term bond and insurance markets **including crop insurance in non-distortive terms**, where appropriate, while strengthening supervision, clearing and settlement in existing markets. Regional markets ~~might be an~~ **are an** effective way to achieve scale and depth not attainable when individual markets are small. We recognize that the nature of international portfolio investment has evolved over the past 15 years, and that foreign investors now play a significant role in some developing markets. 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 international level, we agree to strengthen regional, inter-regional and global fora for knowledge sharing, technical assistance and data collection.
* **47bis. We underline the importance of timely, accurate and transparent information in helping to address excessive food price volatility, and in this regard takes note of the Agricultural Market Information System hosted by the Food and Agriculture Organization of the United Nations and urges the participating international organizations, private sector actors and Governments to ensure the public dissemination of timely and quality food market information products.**

**Arab Group**

* Provide ‘options’ rather than committing to establish long-term bond and insurance markets.
* Need to address currency, bond, and equity markets together.

**LDCs**

* Need language on international support being provided to help develop domestic capital markets – both equity and debt.

**G77 Members:**

**Brazil**

* Include reference to crop insurance, as a means of stabilizing food price volatility.

**Nepal**

* Include that MDBs/MFIs will prioritize to issue local currency bonds while financing for larger infrastructure projects in the LDCS. This will help save LDCs from the potential debt risk emanating from the weaker and volatile local currency.

**Sri Lanka**

* While ensuring long-term financing needs through establishing long-term bond and insurance markets, it is also necessary to ensure sustainable debt financing mechanisms.

**Other Member States:**

1. 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.

**Groups:**

**G77 & China**

* We recognize the important contribution that direct investment, including FDI, can make to sustainable development **while we encourage FDIs to contribute to projects that are in line with national and regional development strategies,** when investors **undertake** ~~follow~~ **responsible and accountable** social, **economic** and environmental ~~standards of good~~ corporate behaviour **and have a long term perspective and respect the UN principles and agreements**. We will thus direct our investment promotion and other relevant agencies to focus on project preparation, prioritizing projects aligned with sustainable development, , **practices and goals,**  including those with the greatest potential for **promoting sustainable patters of production and consumption, structural transformation** sustainable industrialization**, productive diversification** and decent jobs. Internationally, we will support these efforts through financial and technical support, **including capacity building** and encourage closer collaboration between home and host country agencies where international flows of investment are involved.

**AOSIS**

* The Alliance supports the G77 proposals on this paragraph.
* Capacity building in the context of international financial flows is essential; for example, SIDS and other developing countries often do not have the capacity to report on the corporate practices of private companies.

**Other Member States:**

**Canada**

* As some of our credit export agencies have significant independence and already abide by many of the general principles of sustainable development, we believe we can replace the phrase “we will thus direct” with “**we will further encourage**”.

**New Zealand**

* Replace: important contribution that ~~direct investment~~**international finance**, including FDI,

1. Despite significant improvement in their investment climates, we note with concern that LDCs continue to be largely sidelined by foreign direct investment flows. In this regard, we agree to support LDCs through providing financial and technical support for project development and contract negotiation and to provide advisory support in investment related dispute resolution and other functions as requested by the LDCs.

**Groups:**

**G77 & China**

* ~~Despite significant improvement in their investment climates~~, we note with concern that LDCs continue to be largely sidelined by foreign direct investment **flows despite significant improvement in their investment climates**. In this regard, we agree to support LDCs through providing financial and technical support for **the establishment and operationalization of an international investments support centre dedicated to LDCs, which will undertake (i)**project development and contract negotiation and ~~to~~ **(ii)** provide advisory support in investment related dispute resolution and other functions **(iii) provide access to information on existing investment facilities and FDI support programmes; and (iv) provide risk insurance and guarantees and various kinds of incentives to the investors, in close collaboration with the Multilateral Investment Guarantee Agency and the OEDC** as requested by the LDCs.
* **49bis. We underline that FDI should employ maximum local contents, including human resources at technical and managerial positions and establish linkages, both backward and forward, with domestic suppliers and linkage for the local enterprises with the global value chains.**

**EU**

* Welcome the text on the specific challenges faced by LDCs, fragile and conflict-affected states. As part of the new agenda, we should all strengthen our efforts to address the financing gap faced by the poorest countries, fragile and conflict-affected states including through cooperation to help attract private investors and sustainable financing. In doing so, we should give proper consideration to domestic financial sector development and sustainability.

**LDCs**

* Despite significant improvement in their investment climates, we note with concern that LDCs continue to be largely sidelined by foreign direct investment flows. In this regard, we agree to support LDCs through providing financial and technical support for **establishment and operationalization of an international investment support centre dedicated to LDCs, which will undertake (i)** project development and contract negotiation ~~and to~~ **(ii)** provide advisory support in investment related dispute resolution and other functions **, (iii) provide access to information on existing investment facilities and foreign direct investment support programmes; and (iv) provide risk insurance and guarantees and various kinds of incentives to the investors, in close collaboration with the Multilateral Investment Guarantee Agency and the Organization for Economic Cooperation and Development** as requested by the LDCs.
* **49bis. We underline that FDI should employ maximum local contents, including human resources at technical and managerial positions and establish linkages, both backward and forward, with domestic suppliers and linkage for the local enterprises with the global value chains.**

**LLDCs**

* Add “**and LLDCS**” after LDCs in both the first and second sentences.

**G77 Members:**

**Nepal**

* Provide specific mechanism in order to ensure a minimum threshold of FDI flows to be channeled to LDCs, like the same way as 0.7 percent of GNI to be provided as ODA.

**Peru**

* On Paragraph 49, it is hereby stated that it should be clarified that the commitment to provide financial support to LDCs depends on national capacities to provide such support. MICs are not necessarily in the capacity to do so.

**Philippines**

* The trend and impact of foreign direct investments (FDIs) should be more thoroughly studied, particularly in the case of developing countries and LDCs, which remain to be largely sidelined by FDI flows as mentioned in the draft document. Apart from financial support, the technical support to be provided may also help in addressing legal or structural barriers to improve the LDCs' attractiveness as a destination for more FDIs, and thus,. create more opportunities for sustainable development investments.

**Sri Lanka**

* Not only for the LDCs but the Lower Middle Income Countries should also be given support to improve their investment climates as most of those countries are new to FDls.

**Other Member States:**

**New Zealand**

* Important to note credit constraints of LDCs. Suggest document to actively explore use of innovative approaches. In first sentence, after “improvement in investment climates” and before “we note with concern” add “**and noting the success of many developing countries, including LDCs, in accessing international private finance**”.
* Add Para 49 bis: **“International credit constraints more acutely bind in the case of fragile and Small Island Developing States as a result of the structural characteristics of their economies. Encouraging greater international private financial participation in these economies will require innovative partnerships and approaches to finance. We agree to actively explore options and encourage the use of these approaches”.**

1. 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 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.

**Groups:**

**G77 & China**

* 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 **distorted risk perceptions, mismatch of priorities between investors and governments as well as insufficient international cooperation for tech transfer** ~~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 infrastructure and energy investment plans in our national sustainable development strategies **in line with national priorities and policies, including through offset clauses that ensure adequate technology transfer for projects in developing countries**. **We will strengthen our efforts to substantially increase the share of renewable energies and to promote energy efficiency and conservation** We commit to ensuring the **financial,** technical support **and capacity building** for countries to translate these plans into **implementable** ~~concrete~~ projects ~~pipelines~~, i**ncluding in terms of resilient infrastructure.**

**EU**

* For para 50 to 53: We fully recognise the need to invest in sustainable infrastructure and are willing to discuss this. There are, however, many questions to clarify and we caution against too narrow or selective approaches. The draft needs to cover all areas of the post-2015 agenda.

**AOSIS**

* AOSIS supports the G77 proposals on this paragraph.
* It is a matter of priority for AOSIS that the text highlights the need for investment in renewable energies. Renewable energy, energy efficiency and conservation are a critical part of the sustainable energy policy outlined in the SAMOA Pathway (paras 47-50). They are also included in the Doha on FfD (para 84).

**G77 Members:**

**Ethiopia**

* We agree to embed resilient infrastructure and energy investment plans, if they are not already in our national plans.

**Nepal**

* Include promoting knowledge based economy in LDCs. Include technology reference.

**Saudi Arabia**

* Add: […] **affordable** energy

**Sri Lanka**

* Include economic infrastructure instead of resilient infrastructure and energy in the first line

**Other Member States:**

**France**

* We prefer language to stress more financing is required for infrastructure and energy, rather than saying there is deficit in this sector. We must focus on project preparation, while respecting the ambitious sustainability criteria and incentivizing private investors.

**Ireland**

* Need reference to renewable energy

**Japan**

* We welcome the reference to infrastructure in paragraphs 50 and 53. Infrastructure development is a prerequisite for direct investment, in particular for the manufacturing sector. Reference to infrastructure development should be made with the adjective “quality” in line with the Target 9.1 of the OWG report which says: “Develop quality, reliable, sustainable and resilient infrastructure, including regional and trans-border infrastructure…”

**Mexico**

* Insert new sentence after second sentence: **On the demand side, a number of structural bottlenecks can block the flow of long-term credit towards investment. In some cases, private sector incentive structures and new regulations like Basel III designed to reduce risk-taking by banks may have the unintended consequence of deterring financial deepening, increasing the cost of credit, and encouraging short-term investment horizons.**
* Add: On the project **supply** side insufficient investment […]

**New Zealand**

* Add at end of paragraph: **In this regard, we welcome IRENA advisory services and urge the agency to accelerate efforts to provide support to countries in preparation of bankable projects in the renewable energy area.**

1. 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.

**Groups:**

**G77 & China**

* 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~~ **could be** inappropriate for many long-term projects, as in the area of infrastructure. **We recognize that despite the large pools of private capital, currently only marginal private investment is distributed to the infrastructure sector in particular in developing countries** ~~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, **including emerging and traditional multilateral development banks,** 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.

**G77 Members:**

**China**

* Should not overemphasize the role of institutional investors

**Ethiopia**

* We agree wholeheartedly with the call for private investment in infrastructure as this is a key need in our continent.

**Sri Lanka**

* The governments should also ensure political stability and security within the country in order to promote investments

**Other Member States:**

**France**

* Does not agree with view that financial regulation leads to short term behavior. Should use more positive and subtle language.

**Mexico**

* Add after first sentence: **The Public sector can promote a healthy investment behaviour, focused on high quality projects, taking into consideration their social and developmental impact, aside from their financial return. These efforts can be supported through technical assistance by international financial institutions and multilateral development banks (MDBs).**

1. 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 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.

**Groups:**

**G77 & China**

* We recognize **that public investments have a key role to play in infrastructure project and 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 **with additional resources, expertize and technology transfer** 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**, including through open inclusive and transparent discussions,** be given to 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 feasibility studies that demonstrate, inter alia, that they are the most effective way to structure the investment **taking into account regional, national and sub national policies and priorities**. PPPs should not replace or compromise state responsibilities, nor should they impose unsustainable debt burdens or contingent liabilities on governments **and local communities** **and should include clear accountability mechanisms.**

**EU**

* The language on public-private partnerships should be more balanced. We want inclusion of text on leveraging various sources of financing and the positive contribution of instruments such as blending, debt and equity investments and other forms of innovative financing in raising finance for sustainable development.
* Make reference to sustainable public procurement (need an additional paragraph on this)

**G77 Members:**

**Philippines**

* Given that the Philippine Government considers PPP as among the major strategies for financing the country's infrastructure development agenda, the NS supports the need to have more careful consideration on the appropriate use and structure of PPPs, taking into account the valuable lessons that may be obtained from the subject Conference and may similarly be implemented in the Philippines

**Sri Lanka**

* This should be redrafted as a proposal since it is just a statement

**Other Member States:**

**Australia**

* Make sure that blended finance is correctly defined in paragraph 52. We would suggest this definition is corrected to reflect the ICESDF report, paragraph 134 which defines it as the blending of public and private finance and expertise.

**Canada**

* We are supportive of this paragraph but would like to see the definition of blended finance in brackets reworded to read “(**a combination of concessional public finance with non-concessional private finance)**”. After the first sentence on the importance of blended finance, we would propose adding a reference stating that in this regard we welcome the efforts of the Re-Designing Development Finance Initiative of the World Economic Forum and the OECD. Canada also encourages Multilateral Development Banks to play a role in financing and building capacity in the areas of public-private partnerships and blended finance.

**Japan**

* We welcome reference to public-private partnerships (PPPs) in paragraphs 52 and 53. PPPs are looked at as the vast new frontier of development finance, in particular for the infrastructure development. Various global and regional initiatives are being taken under MDBs and bilateral donors and the language on PPPs could be further strengthened.

**Latvia**

* Outline positive and innovative effect of PPP in green energy, energy efficiency and infrastructure services.
* Add potential of various sources of innovative finance e.g blending debt and equity.
* Need more balanced language on PPPs and leveraging.

**Russia**

* Need clarification on definition of “blended finance”. The term “blended finance” is not immediately apparent in para. To the group of experts, it has a different definition; it means a blend of public and private funds.
* Delete and bracket: We recognize that **[**blended finance ~~(combining concessional and non-concessional international public finance)~~,**]** pooled […]

**Switzerland**

* Need more nuance on potential of blended finance, appreciate mention of national development banks. Blended Finance is the strategic use of concessional and non-concessional funds to mobilize private capital flows to developing countries. It offers an innovative approach to mitigating risk and managing returns, with the potential to unlock significant capital flows that are currently constrained due to certain types of risk. These mechanisms differ from traditional PPPs and encourage separating these concepts and be more nuanced about the great potential Blended Finance mechanisms have to increase financial flows to developing countries.
* Mention national and multilateral development Banks in this paragraph as they will play a key role, not least with regard to implementing these mechanisms.

**Turkey**

* We support the message with regard to PPP model, especially in infrastructure.

1. 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.

**Groups:**

**G77 & China**

* We~~welcome~~ the ~~G20’s~~ emphasise on infrastructure as a critical component of growth strategies and on strengthening cooperation to address deficiencies in the development, implementation and financing of infrastructure **and enhancing regional interconnectivity**. 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 for **that matter to hold inclusive, open and transparent discussion on** develop**ing** and adopt**ing** principles, guidelines and standardized documentation for the use of PPPs, **as well as** ~~to~~ build**ing** a knowledge base and shar**ing** lessons learned through regional and global fora.

**EU**

* Fully recognise the need to invest in sustainable infrastructure but caution against too narrow or selective approaches. Draft needs to cover all areas of the post-2015 agenda.

**AOSIS**

* AOSIS supports G77’s proposal to insert this paragraph pre-54.
* The proposed language is based on the Rio+20 Future We Want outcome document (paras 125-129). Sustainable energy production is a high priority for SIDS. While many SIDS are highly dependent on imported fossil fuels, renewable energy is the primary avenue to break this dependence (see SAMOA Pathway, para 47).
* Any discussion on sustainable energy should be coupled with energy-efficient and renewable energy.

**LLDCs**

* The issue of regional infrastructure is one of the fundamental development challenges of LLDCs. Need concrete language on the completion of missing links that that connect LLDCs within regional networks. Among others, paragraph 29 on transport infrastructure and the entire priority 4 of the Vienna Programme of Action on regional integration and cooperation supports this issue.

**Arab Group**

* Replace: We ~~welcome~~ **take note of** the G20’s emphasis

**G77 Members:**

**Philippines**

* We concur to the emphasis made by the G20 by the significance of infrastructure as a critical component of growth strategies and deem that infrastructure development may be perceived as a major issue in the context of financing for development especially for the developing countries and LDCs.

**Saudi Arabia**

* Delete: It will ensure that projects are environmentally, socially and economically sustainable and help mobilizing financing ~~from all sources~~.

**Sri Lanka**

* This should be redrafted as a proposal since it is just a statement.

**Other Member States:**

**Australia**

* In calls for new initiatives on issues, particularly infrastructure initiatives in para 53, we believe that this text should rather emphasize synergies, and the effective use of finance and therefore promote cooperation between existing initiatives in an area where a range of new initiatives have recently been unveiled to address financing gaps.

**Canada**

* As mentioned in our statement on section I, there are already many initiatives to promote infrastructure investment globally and Canada is already contributing to a number of these. We believe there is a need for greater coordination among existing funds. We are not convinced there is a need for yet another such initiative and would propose this reference be replaced with a statement that we will work toward these goals. We do however support the development of principles and standards for the use of public private partnerships.

**Japan**

* Second, we welcome the reference to infrastructure in paragraphs 50 and 53. Infrastructure development is a prerequisite for direct investment, in particular for the manufacturing sector. Reference to infrastructure development should be made with the adjective “quality” in line with the Target 9.1 of the OWG report which says: “Develop quality, reliable, sustainable and resilient infrastructure, including regional and trans-border infrastructure…”

**Russia**

* Do not agree on the standard use of guidelines for PPP. Need to be made clear who, when and under what standards and framework we will be adopting those principles on PPPs.
* Changes: 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~~ **emphasize the need** 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~~ **to** enhance mutual learning in the effective delivery of projects and programmes on sustainable infrastructure. ~~It will~~ **and to** 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~~ **recognize the importance of** principles, guidelines and standardized documentation for the use of PPPs, to build a knowledge base and share lessons learned through regional and global fora.

**Turkey**

* Replace: It ~~will~~ **can** ensure that projects ~~are environmentally, socially and economically sustainable~~ **pave the way for sustainable development** and help mobilizing financing from all sources.

1. 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.

**Groups:**

**G77 & China**

* **Pre54. We emphasize the need to address the challenge of access to sustainable modern energy services for all, in particular for the poor who are unable to afford these services even when they are available. We emphasize the need to take further action to improve this situation, including by mobilizing adequate financial resources, to provide these services in a reliable, affordable, economically viable, and socially and environmentally acceptable manner in developing countries in accordance with national sustainable development visions, priorities, and legal and policy framework.**
* We ~~welcome~~ **take note** 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  **commit** ~~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. **with a view to helping eradicating poverty and lead to sustainable devilment and global prosperity.** **In this regard, we welcome the work of IRENA and its efforts to provide support to member states that are critical for the deployment of renewable energy.**

**AOSIS**

* AOSIS supports the language proposed by G77.
* The Alliance supports the work of IRENA and its reference in this document as a vehicle for the promotion of renewable energy.

**G77 Members:**

**United Arab Emirates**

* We support language on sustainable energy – we want reference to international renewable energy agency, we want mention of tech and cost breakthroughs on renewables.

**Other Member States:**

**Canada**

* We believe the recommendations put forward under the Sustainable Energy for All initiative are worthy of consideration.

**Iceland**

* Welcomes scaling up investment in energy for sustainable development. Welcomes language on “renewable energy”.

**New Zealand**

* *54 bis.* **“We urge the international community to continue to provide adequate support, including in the areas of capacity-building and appropriate technology, for the development and implementation of national, regional and interregional energy policies, plans and strategies to address the special vulnerabilities of SIDS.”** (Draws on wording from the SAMOA pathway (para 49).
* 54.tre: “**We will strengthen our efforts to substantially increase the share of renewable energies and to promote energy efficiency and conservation. We recognize that renewable energy solutions, both centralized and decentralized, are increasingly economically viable in many settings. We recognize also that de-risking renewable energy financing is key to its deployment at scale in developing counties, and call upon financing institutions and the climate finance mechanisms to provide innovative instruments to decrease upfront costs and incentivize private investment”.**

## C. International public finance

**Groups:**

**G77 & China**

* Change title to: ‘Increasing international financial cooperation’

**EU**

* The International Public Finance section will require significant rebalancing. Indeed, it fails to properly reflect the fact that the world has changed since Monterrey. Much of the narrative is still premised on an outdated North-South construct, which does not reflect the complexity of today’s world. The text should recognise that we need: (1) efforts by all according to national capabilities, (2) tailoring of development support to the specific needs and capacities of the recipients.
* We need to develop effective instruments which draw on humanitarian and development finance approaches to reduce disaster risk and provide life-saving support to populations affected by crises. That paragraph could welcome the establishment of the UN Secretary-General’s High Level Panel on these issues.

**LDCs**

* Provide increased and stable long-term development finance to LDCs.
* Donor countries should provide 0.20 to 0.25 per cent of their GNI as ODA to LDCs and allocate at least 50 per cent of the net ODA to LDCs and set a concrete timetable before the end of 2015 for reaching these ODA commitments at the latest by 2020.
* Mobilize resources through innovative mechanisms and disburse through existing multilateral institutions, in particular through the UN system organizations with an especial focus on LDCs.
* 50 per cent of the resources under adaptation fund should go to LDCs.
* The IDA and the lending from the Regional Development Banks need to shift to an all-grant facility for LDCs.
* Design additional and effective counter-cyclical financing and shock facility for LDCs and strengthen existing ones.
* Create an Infrastructure Funding Facility dedicated to LDCs to process bankable projects and also ensure blended finance.
* Improve the quality of aid by aligning it with national priorities, using national systems, making it predictable enough and most importantly supporting programmatic approach and using pool funding mechanisms by avoiding fragmented and small scale project approach.
* Improve donor coordination and harmonization and untie 100% of ODA to LDCs.
* South-South cooperation, as a complement to North-South cooperation, is vital to least developed countries and call upon the countries of the South to enhance their support to LDCs.

**G77 Members:**

**Brazil**

* ODA section should be revised to be pro-people and human rights based

**Ethiopia**

* Ethiopia underlines that ODA is critical for sustainable development in particular for LDCs and ODA must be focused to poverty eradication and to those who needs most. ODA flows have not reached the expected levels as promised and require partners’ bold actions to fulfil their commitments both in terms of the .7% GNI as a whole for developing countries and 0.15-0.2% ODA GNI to LDCs within agreed time bound.
* Ethiopia believes improving quality of ODA is still unfinished business of Development Effectiveness agenda and it should be adequately addressed in the Addis Accord.
* We welcome the Zero draft recognizing the important role of ODA for realizing sustainable development ambitions of developing countries as complementary resources to domestic resources.
* We also welcome the call to developed countries to increase ODA allocation so as to fulfil their commitment of reaching .7% of GNI, reversing the declining trends of ODA to the poorest and most vulnerable countries and the need to realize 0.15-0.20 of donor GNI target for LDCs by 2020.
* We agree with the suggestion of sections on health and agriculture and food security, and the importance of a greater focus on education in LDCs and fragile states
* The document has also well addressed the role and contribution of south-south and triangular cooperation. Ethiopia attaches high importance to south-south and triangular cooperation and we welcome the recognition of this as a complementary to the North- South cooperation.
* Ethiopia welcomes the references made to the climate change, its impact and recognition of the efforts being made through UNFCCC negotiation process and the action taken by the developed countries to support developing countries through replenishing GCF and other climate funds.
* There should also be language included here on *the importance of climate proofing our investments, and the potential impact of climate change and climate variability on development outcomes*, rather than merely a focus on finance.

**Lebanon**

* Recognize the need to increase coherence of development and humanitarian finance to ensure more timely, appropriate and cost-effective approaches to managing crises and shocks
* Agree to adapt and refine international response tools by providing more predictable and flexible response funding, diversifying funding sources, and increasing the use of innovative financing mechanisms
* Promote the strengthening of local, national and regional capacity to manage risks and build resilience to crises and shocks

**Nepal**

* We very much welcome the commitment to increasing the volume of ODA with focus on LDCs and LLDCs. We would urge that the dialogue be equally focused on Quality of ODA, and the associated Transaction Cost of ODA. A commitment be made in the zero draft that transaction cost of ODA would be reviewed and efforts will be made that the resource will be delivered directly to the needy, and role of middle man and agents be minimized. Likewise, in many occasions, the flow of ODA is routed without the notice of the recipient governments. Therefore we would like to see the commitment in the zero draft that the ODA will be fully transparent, and channeled with the proper notice of the recipients government. This will also help enhance the mutual accountability in both of the spectrums.
* We would like to urge that outcome document invites all stakeholders to work in partnership catering support and resources as per the country specific needs, but not on ‘one size fits for all’ approach.
* The paras for example 61, 68, 69, 70 etc. mention that different instruments and organizations will provide ODA in their respective sectors, such as in climate finance, and partnering for education. In this context, we would also like to request that a commitment also be made that the ODA channeled through those different organizations and mechanisms will not substitute the current flow of ODA rather they will be additional contributions, on top of the current level of ODA.

**Philippines**

* International public finance such as official development assistance (ODA) is envisaged to continually play an important role in financing the development needs, particularly of the developing countries, LDCs, LLDCs, and SIDS, among others. In this regard, the NS highlights the need to push for redefining the parameters of ODA towards a more effective and targeted funding for bilateral and multilateral aid, and, thus, recommend the following:
* ODA and aid programming should be more strongly aligned with the specific development agenda of the recipient country. This entails closer dialogue between the donor and recipient countries;
* There should be more flexibility in the administration of the development assistance (e.g., forestalling supply-driven aids) particularly for tied-aid financing in bilateral forms agreements; and
* On the proposed commitment by all developed countries to allocate 0.7 percent of gross national income (ONI) as ODA to developing countries, the NS would like to suggest that the Conference be used as the venue/opportunity to formulate an agreed and binding timeframe upon which such commitment should be reached.

**Timor Leste**

* Should also reflect the New Deal for engagement in fragile states advocated by the G7+ group of conflict affected countries.

**Other Member States:**

**Australia**

* As everyone in this room agrees, international public finance, including ODA, is critical to the success of this agenda.
* As we all know, ODA flows are at all-time highs. Similarly, and as reported in the ICESDF report, there are an increasing range of flows from new donors and lenders that make up the full complement of international public finance. However, these flows remain relatively small compared to other sources of development finance. More broadly, we also agree with the EU and others that this section should better balanced. It must recognise those countries most in need and also capture all countries that provide international public finance today and out to 2030. We support New Zealand’s proposal that the text reflect the challenges of access to finance for SIDS in this regard. Similarly, we support Mexico’s proposal that the needs of middle income countries should also be reflected.
* We need to update and future-proof this text. This means being realistic about where to look to mobilise further resourcing. Key to this, in Australia’s view, is better leveraging all international public finance from all providers.

**Canada**

* We would support the inclusion of a paragraph on the financing of humanitarian assistance. We suggest language such as the following: “2014 saw the largest ever humanitarian appeal by the United Nations, and the largest ever gap between levels of assessed need and available finance. Pressure on humanitarian spending is likely to increase as a result of increasing risk of natural hazards and the growing number of people affected for many years by conflict. We need to better understand these trends and develop effective instruments which draw on humanitarian and development finance and approaches to reduce disaster risk and provide life-saving support to populations affected by crises. We welcome the establishment of the UN Secretary-General’s High Level Panel on these issues.

**Republic of Korea**

* The Republic of Korea also would like to add a new paragraph about financing for humanitarian assistance, considering the ever-increasing demands of humanitarian assistance arising from crises such as the Ebola epidemic in West Africa. Though disasters are unpredictable, the impact of crises can be better mitigated and avoid spillover if we have predictable mechanisms and sources of financing for humanitarian assistance.

**Russia**

* Change title to ‘Increasing international financial and technical cooperation for development’

**United Kingdom**

* First, the call on developed countries to fulfill their ODA commitments is loud and clear and this is as it should be. We must not shy away from our commitments. The UK is proud to be a 0.7% country and also to have recently enshrined our 0.7% ODA commitment in UK law. (para 56)
  + - But there is no equivalent call in the zero draft on Upper Middle Income Countries. This does not fit the reality of today’s world, and even less the world of 2020, 2025 and 2030. Some Upper Middle Income Countries will be High Income Countries during the lifetime of the framework.
    - We believe the zero draft should recognise this reality and call on Upper Middle Income Countries to start now to make commitments on international public finance.
    - Rather than reduce the pressure on those countries which are currently High Income to fulfill their ODA commitments, we believe this would have the opposite effect, and help would galvanise developed countries to do more. It would also reflect the truly universal nature of our agenda.
    - Second Mr Co-Facilitator, on humanitarian finance which doesn’t really feature in the zero draft, we would like to propose some specific ideas. We think the outcome document should commit us to ensuring that there is effective coordination of all available international public finance spanning both humanitarian and development finance, with the aim of reducing future risk and responding to crises when they occur.
    - This could include, for example, blending humanitarian finance to meet immediate needs with climate-smart development assistance to build more predictable social protection mechanisms going forward, while also building the resilience of communities to natural disasters.
    - We think the zero draft should also welcome the establishment of the UN Secretary-General’s High Level Panel on these issues and the upcoming World Humanitarian Summit.
    - Third, with regard to conflict-affect states, we should recognise that these countries have different financing needs, and that the current system is not meeting those needs.
    - We should, for example, commit to ensuring that international public finance is directed in ways which respect the principles set out in the New Deal by the G7+ group of countries that are or have been affected by conflict.
    - Finally Mr Co-Facilitator, and as we said yesterday, we think more could be made of the synergies between development, sustainability and action on climate change. There are significant win-wins between economic development and low-carbon, resilient development in many areas which should be fully exploited; for example in the energy and transport sectors and in the development of cities. (paras 60, 61).
    - A greater integration of climate and development finance should enable more of these synergies to be exploited while reducing the risk that investments result in a conflict between achieving development objectives and climate objectives.
    - We think the outcome document should explicitly recognize this

**United States**

* International public finance plays an important role in complementing the efforts of countries to raise public resources domestically. We believe that ODA, South-South cooperation and other international public flows, including from MDBs and DFIs, will be critical. We underscore the emphasis on the essential role of ODA where needs are greatest and capacity to raise resources weakest, including fragile and conflict-affected states, in Para 57.
* The agreement reached at the OECD DAC on modernization of ODA will help reverse the decline of the most concessional finance to the countries most in need of this finance, including LDCs, other low-income countries and fragile and conflict-affected states. For this reason, we believe that Para. 57 could be strengthened by reflecting the language in the High Level Meeting communique.
* In para. 65, the zero draft recognizes the challenge posed to countries during graduation to middle income status, and the role that both bilateral and multilateral donors can play in supporting those countries to continue to their development progress uninterrupted. To that end, we believe that the language should be modified to encourage multilateral institutions, bilateral donors, and MDB shareholders to focus on those countries most in need and least able to access international financing. We have concerns about modifying existing criteria with respect to access to international public financing.
* The United States reaffirms, as noted in Para. 58, the essential role that ODA and other international public finance play as a catalyst for, and complement to, other sources of financing for development, and in removing constraints to sustained, inclusive and equitable growth. These other flows can enhance institutions supporting social services; support climate-resilient physical infrastructure; promote foreign direct investment, trade and technological innovation; develop human capital through improvements in health and education; foster gender equality; preserve the environment; support agriculture and rural development, and contribute to eradicating extreme poverty.
* We welcome and endorse efforts to better measure the full range of public international flows and the private resources catalyzed by public resources. Transparent global accounting of Total Official Support (TOSSD) for Sustainable Development will enable all actors to better understand and harness these flows, as referenced in Para. 58. However, we note that TOSSD is a “broader measure,” rather than an indicator.
* As noted in Para. 59, the United States welcomes the initiative of developing country providers to work through the UN Development Cooperation Forum to improve data and coordinate policies on South-South cooperation. We encourage South-South providers to work to further enhance mutual accountability and transparency.
* The United States respects the adoption by some countries of the U.N. target of 0.7 percent of GNI as ODA to developing countries, as well as target of 0.15 to 0.20 per cent of GNI to LDCs. As the world's largest single donor, our focus is leveraging our ODA commitments to build capacity, and to maximize impact, effectiveness, and results. We also believe that the quality of aid is at least as important as the quantity. We will offer some clarifications of language in Para. 56.
* We appreciate that the zero draft reflects the importance of aligning international public finance to all three dimensions of sustainable development, and that we need to build climate and disaster resilience considerations into international programs. We also strongly endorse the recognition in the zero draft that the UNFCCC is the primary international forum for negotiating the global response to climate change.
* The United States will not endorse global taxes referenced in Para. 62, as we believe these are an inefficient way to raise revenues, and have a distortionary effect on global financial markets.
* Other areas of the text similarly raise our significant concerns. We strongly believe in the importance of social and environmental safeguards in all international public finance, but especially in both existing and new multilateral institutions. We propose affirming the need for strong social and environmental safeguards in ALL international public financial institutions including new entrants in Para. 63. These international standards help to ensure that the intended positive benefits of development finance are realized without harm to vulnerable populations or the environment. Similarly, we encourage multilateral development banks to explore how to fully optimize their balance sheets sustainably, as demonstrated by the Asian Development Bank.
* We welcome the continued efforts to increase development effectiveness, as referenced in Para. 72. In relation to global and national partnerships, we believe that priorities must be country-driven and are best accomplished at the country level, as each country’s needs and plans will reflect their prioritization of development challenges. Given this, we have strong reservations about elevating specific global funds in the text of the zero draft in Para. 67 – 71. Rather than listing funds, we believe that the zero draft can bring to the fore key substantive areas of development without compromising country-driven solutions.

55. International public finance plays an important role in complementing the efforts of countries to raise public resources domestically. Our ambitious agenda puts significant demands on public budgets and capacities, which many developing countries will only meet with scaled up and more effective international support, including both concessional and non-concessional financing. ODA, South-South cooperation and other international public flows, including from MDBs, will be critical. 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.

**Groups:**

**G77 & China**

* International public finance plays an important role in complementing the efforts of countries to raise public resources domestically, **especially in small and vulnerable economies with limited domestic resources. In this regard, fulfilling additional financial commitments is important as well as clarity and transparency in future financial support from developed countries**. Our ambitious agenda puts significant demands on public budgets and capacities, which many developing countries will only meet with **predictable new and additional resources** ~~scaled up and more effective international support~~, including **grants,** ~~both~~ concessional and non-concessional financing. **North South Cooperation including** ODA, ~~South-South cooperation~~ **as well as** ~~and~~ other international public flows, including from MDBs, will be critical. International public finance also plays a catalytic role in mobilizing additional resources, **in developing countries** ~~including in Middle Income Countries~~, and is increasingly being used to address other international challenges, **according to national policies and priorities** ~~such as climate change~~**. [Long term investments are needed, in particular in sustainable energy, infrastructure, transport, ICT as well as supporting diversification of economies alongside support for agriculture and rural development to benefit the most vulnerable population.]**

**EU**

* International public finance remains an important and catalytic element in the overall financing available for developing countries, and in particular countries most in need. But we need to be clear that we have to prioritize countries most in need, in particular LDCs and fragile and conflict-affected state. ODA can also play an important catalytic role in MICs and especially in some LMICs. Taking into account exceptional budgetary circumstances, we stand ready to play our part.

**AOSIS**

* AOSIS supports G77’s language in this paragraph.
* AOSIS notes with concern that the current zero draft uses this opening paragraph to suggest that international public finance is a means to domestic resource mobilization. This point should not be emphasized without recognizing the inherent vulnerability of SIDS, including their inability to raise substantial resources domestically. As SIDS have small populations with limited resources and a narrow economic base, the taxable population is modest, to say the least.
* AOSIS supports G77’s proposal to add language to clarify that ODA does not encompass all North-South cooperation, therefore “ODA” should not be used to supplant it.

**Arab Group**

* Too much emphasis on South-South cooperation

**G77 Members:**

**China**

* ODA should be reflected as the primary source of development finance

**Ethiopia**

* We would like the inclusion of statement that reads: **Long term investments are needed, in particular in sustainable energy, infrastructure, transport, ICT as well as supporting diversification of economies alongside support for agriculture and rural development to benefit the most vulnerable population.**

**Philippines**

* On paragraphs 55-58: International public finance such as ODA is envisaged to continually play an important role in financing the development needs, particularly of the developing countries, LDCs, LLDCs, and SIDS, among others. In this regard, the NS highlights the need to push for redefining the parameters of ODA towards a more effective and targeted funding for bilateral and multilateral aid, and, thus, recommend the following:
  + ODA and aid programming should be more strongly aligned with the specific development agenda of the recipient country. This entails closer dialogue between the donor and recipient countries;
  + There should be more flexibility in the administration of the development assistance (e.g., forestalling supply-driven aid) particularly for tied aid financing in bilateral forms of agreements; and
  + On the proposed commitment by all developed countries to allocate 0.7 percent of gross national income (GNI) as ODA to developing countries, the NS would like to suggest that the Conference be used as the venue/opportunity to formulate an agreed and binding timeframe upon which such commitment should be reached.

**Saudi Arabia**

* Delete last sentence of paragraph

**United Arab Emirates**

* Delete reference to climate change

**Other Member States:**

**Australia**

* 55. bis. **We recognise that the suite of financing tools available to countries, as donors and lenders, has increased significantly. Grant instruments, including results-based finance instruments, provide opportunities for partner countries to finance sustainable development outcomes directly to targeted beneficiaries, including vulnerable groups such as women and girls, or key sectors, like health and energy. A range of debt and risk instruments, including loans, guarantees and equity, can similarly be used to shift private sector investments towards sustainable development pathways and support national sustainable development strategies.**

**Mexico**

* [..] including in middle income countries, **which still face very significant development needs**, [..]
* [..] such as climate change. **One difficulty in mobilizing additional resources is that many citizens of developing countries are excluded from the formal banking sector. This will need to be addressed in order to increase the mobilization of international public finance.**

**Russia**

* International **development cooperation** ~~public finance~~ plays an important role [..]
* [..] other international challenges**.** ~~such as climate change.~~

56. 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.

**Groups:**

**G77 & China**

* **We express our concern at the lack of fulfilment of the ODA commitments by developed countries.** 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 **few** 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 **fully** implementing by 2020 their commitment to allocate 0.7 per cent of GNI as ODA to developing countries, with ~~0.15-0.20~~ **0.2 to 0.25**of GNI to LDCs. ~~We strongly encourage all~~ **Developed** ~~donor~~ countries **commit** to establish, by the end of 2015, ~~indicative~~ **binding** timetables **by region** to illustrate how they will increase their assistance and reach their **present and future commitments** ~~goals~~. **We will scale up the share of ODA to successfully implement the SDGs.**

**EU**

* The EU, which has consistently accounted for more than half of global ODA, has made ambitious ODA commitments, including collectively committing to 0.7% ODA/GNI by 2015 and to 0.15-0.20% ODA/GNI to LDCs. We are not shying away from them and are determined to fulfil them, even if we have not yet been able to fully deliver due to an unexpected – and major – global financial and economic crisis. We stand ready to play our part. But we also expect other HICs as well as emerging economies and UMICS to play theirs.

**Arab Group**

* [..] their commitments. We **agree** ~~urge~~ all developed countries that have [..]
* We strongly encourage all **developed countries** ~~donor countries~~ to establish, by the end of 2015, **binding** ~~indicative~~ timetables [..]

**LDCs**

* [..] 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~~ 0.25** per cent of GNI to LDCs. **We also urge all developed countries to allocate at least 50 per cent of the net ODA to LDCs and set a concrete timetable before the end of 2015 for reaching these ODA commitments at the latest by 2020.** We strongly encourage [..]

**G77 Members:**

**Brazil**

* Reporting and reviewing of ODA commitments at the UN to increase accountability

**Nepal**

* Apart from mentioning on the increase of the volume of the ODA commitment, we would also want to see commitments made that efforts will be put to increase disbursement and help improve the absorption capacity of the recipients. It was widely experienced that the ODA disbursement as compare to commitment is very low, due to different conditionalities attached with it among others. We urge to review the ODA delivery mechanism, and partners support to improve disbursement.

**Other Member States:**

**Australia**

* With respect to paragraph 56, Australia acknowledges that we need to build on the Monterrey Consensus and the Doha Declaration in relation to international public finance cooperation. There is a long history to the ODA targets set out in this paragraph, and Australia supports previously agreed text on this issue. However, we do not support the setting timelines as its focus could lead to supply-led financing at the expense of a focus on development effectiveness.
* Australia supports language in the text to reverse the declining trend of ODA flows to LDCs in paragraphs 56 and 57.
* We welcome the significant increase in the volume of ODA**, as one element of international public finance,** 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.~~ **In this context developed countries reaffirm their respective Official Development Assistance (ODA) commitments, including those who have endorsed the UN target of 0.7 per cent of Gross National Income as ODA to developing countries as well as the target of 0.15 to 0.20 percent of Gross National Income as ODA to least developed countries, and continue to agree to make all efforts to achieve them. This reaffirmation occurs in the context of a range of developing country graduations and with the explicit goal of transitioning countries out of poverty. It also occurs in the context of emerging economies acknowledging their own increased agency and responsibility for development outcomes in their role as donors and lenders under the auspices of ‘South South Cooperation’.**

**Canada**

* When Canada makes a national commitment, it is a point of principle for us that we deliver on it - in full, and on time. However, as we believe delegations are aware, we do not have a national ODA target, and we believe the wording needs to be adjusted to reflect countries in our position.  We remain committed to ODA, and are convinced that it continues to play a critical role, in particular in countries which face challenges accessing other sources of financing, such as LDCs and fragile and conflict affected states. We agree that efforts need to be enhanced to direct ODA towards those most in need, although we are not convinced that hard numeric targets are actually the most effective way to accomplish this goal.  We continue to focus on the effectiveness of our development cooperation, with a view to maximizing our impact on poverty reduction, and we call on new and emerging donors to do likewise.

**Japan**

* Paragraph 56 is problematic for Japan. In particular, we have difficulty in accepting specific timeline for achieving ODA targets. We already tried the same in December 2008 in Doha, referring to the timeline of achieving 0.7 in 2015 and to reach 0.5 in 2010. It simply didn’t happen. We also have difficulty in agreeing on a timeline for ODA target for LDCs. Just urging all donors to agree on a specific timeline just doesn’t work.

**New Zealand**

* [..] with a view to implementing, ~~by 2020~~ their [..] to establish, ~~by the end of 2015~~, indicative [..]

**Norway**

* Support language on commitment to 0.7 target, both quantity and quality of ODA are important

**Republic of Korea**

* The Republic of Korea believes that Official Development Assistance (ODA) should remain an essential development resource in the new landscape of development cooperation, and it should be better targeted to those most in need and vulnerable, as well as to countries with limited capacities to raise private capital. The Republic of Korea is also well aware of the growing importance of the catalytic role of ODA in supporting efforts to mobilize domestic resources and leveraging further resources.
* In this spirit, the Republic of Korea takes note of the zero draft containing more strengthened language on ODA targets. However, the Republic of Korea expresses concern on paragraph 56, which encourages all donor countries to establish indicative time tables by the end of 2015. We surely believe that such a timetable will help expand ODA, enhance predictability and transparency, and increase public awareness of government commitments. Nonetheless, we need to be careful when establishing medium and long-term fiscal management plans in just 5 months after the Addis Ababa Conference in July, as is may raise concerns about the credibility of the timetable. The current draft also seems to be prescriptive in that it does not consider the budget planning process of each country.
* The Republic of Korea would like to suggest that the deadline be replaced with more flexible language such as **as soon as possible**and add a phrase such as **in accordance with their respective budget allocation processes**to the end of the paragraph 56.

**Russia**

* 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 **call on** ~~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 ~~agreement~~ **commitment** of members of the OECD Development Assistance Committee to reverse the declining trend of aid to LDCs.

**Sweden**

* Both quantity and quality of ODA are critical, support language on commitments and time tables

**Switzerland**

* Switzerland believes that ODA remains critical and central in the pursuit of sustainable development! ODA targets the poorest people in a way other sources of external and domestic finance cannot. However, as others have stated, we believe that the language in the paragraph is very ambitious. It rightfully stresses the significant increase of ODA by many countries since Monterrey despite challenging fiscal environments.

**United Kingdom**

* First, the call on developed countries to fulfill their ODA commitments is loud and clear and this is as it should be. We must not shy away from our commitments. The UK is proud to be a 0.7% country and also to have recently enshrined our 0.7% ODA commitment in UK law

57. 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 agreement of members of the OECD Development Assistance Committee to reverse the declining trend of aid to LDCs.

**Groups:**

**G77 & China**

* ODA remains critically important for **developing** countries that have limited capacity to raise ~~public~~ resources domestically **to eradicate poverty in developing countries**, including LDCs, LLDCs and SIDS, **Africa, Middle Income Countries, countries and people under foreign occupation, [**fragile and conflict affected states**]**, those in protracted crises ~~and sub-Saharan Africa~~. We encourage developed countries to **scale up and**  target ODA to the poorest and those most in need **in developing countries**, taking into consideration **that poverty eradication is the overreaching goal of the sustainable development agenda and its goals and targets beyond 2015** ~~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 **developing**  countries, **in particular the decline in ODA by 16% to LDCs.**  and **strongly urge developed countries** ~~welcome the agreement of members of the OECD Development Assistance Committee~~ to reverse the declining trend of aid to LDCs **and to allocate more of total ODA to LDCs, LLDCs, SIDS, MICs and fragile and conflict affected with targets and timetables.**

**EU**

* The text needs to make clear that concessional international public action should prioritise countries with less access to alternative sources of finance, and in particular LDCs and fragile and conflict-affected states, duly taking into account country debt sustainability. The ICESDF report was very clear about the need to focus public money where needs are greatest and capacity to raise resources is weakest.

**African Group**

* Refer to Africa rather than sub-Saharan Africa

**AOSIS**

* AOSIS supports the language proposed by G77.
* In particular, the group supports the inclusion of SIDS, along with LDCs, LLDCs, and fragile and conflict-affected states, as countries needing a greater allocation of total ODA. The language is based on the OECD Communique of 16 December 2014. However, as the reference to the OECD is deleted, AOSIS maintains the same language in reference to reversing the declining trend of aid to LDCs and allocating more of total ODA to countries in vulnerable situations.

**Arab Group**

* Refer to Africa rather than sub-Saharan Africa
* Include countries and people under foreign occupation
* Recognize 16 per cent decline in ODA to LDCs

**LDCs**

* 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 are deeply concerned that ODA to LDCs has declined by 16% in 2014 and the declining trend continues for couple of years in the row. We call upon the donor countries to reverse this trend and fulfil the ODA target to LDCs as soon as possible.** We ~~note with great concern the decline in the share of ODA allocated to the poorest and most vulnerable countries, and~~ welcome the agreement of members of the OECD Development Assistance Committee to reverse the declining trend of aid to LDCs.
* Include 2015 ODA review called for in Istanbul
* We are concerned by recent declines in ODA, including 16 per cent decline in resources to LDCs. The paragraph must recognize this and contain a concrete commitment to reverse this trend

**LLDCs**

* Add a sentence at the end: We encourage development partners to urgently fulfil existing official development assistance commitments to vulnerable countries, including LLDCs, LDCs and SIDS.

**G77 Members:**

**Ethiopia**

* On Paragraph 57 the first line need underline that ODA remains critical for some countries who has limited capacity to raise domestic public finance *for poverty eradication*. Poverty eradication needs to be emphasised here.
* In the same Phar. 57, though the document refers to reversing the recent decline in ODA to the poorest and most vulnerable countries it is not totally clear in the OECD language whether the reversal of ODA declines to LDCs applies to each donor individually, or just to the DAC as a whole. This has to be clarified so that each donor is committing to increase their ODA to LDCs with a target and a timetable.

**Nepal**

* In addition to inviting the developed countries to target ODA to poorest and those in most need, we would also request to mention that while providing ODA, a particular focus will be given to those countries which have recently emerged from conflict, are in a risk of reverting back to the conflict situation if we miss to support them with additional resources.

**Timor-Leste**

* Need to add language on predictability of ODA

**Other Member States:**

**Australia**

* Australia supports language in the text to reverse the declining trend of ODA flows to LDCs in paragraphs 56 and 57.
* 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, **and plays a catalytic role in middle income countries who will be key to the success of our ambitious shared agenda**. We encourage developed countries to target ODA to the poorest and those most in need [..]

**Canada**

* When Canada makes a national commitment, it is a point of principle for us that we deliver on it - in full, and on time. However, as we believe delegations are aware, we do not have a national ODA target, and we believe the wording needs to be adjusted to reflect countries in our position.  We remain committed to ODA, and are convinced that it continues to play a critical role, in particular in countries which face challenges accessing other sources of financing, such as LDCs and fragile and conflict affected states. We agree that efforts need to be enhanced to direct ODA towards those most in need, although we are not convinced that hard numeric targets are actually the most effective way to accomplish this goal.  We continue to focus on the effectiveness of our development cooperation, with a view to maximizing our impact on poverty reduction, and we call on new and emerging donors to do likewise.

**France**

* Must indicate that concessional finance will prioritize those with least access to other sources of finance, building on the work of the Intergovernmental Committee of Experts on Sustainable Development Financing, including LDCs and conflict-affected countries

**Iceland**

* Support focus of ODA on those most in need

**Japan**

* Japan supports the emphasis on the need to strengthen measures to improve the targeting of aid to countries most in need, including LDCs and other low income countries, LLDCs, SIDs, fragile and conflict affected states. Japan would further propose to make reference to the special needs of the middle income countries to address inequality and disparity issue within the country.

**Mexico**

* [..] those in protracted crisis and sub-Saharan Africa **and plays a catalytic role in MICs**.
* [..] and invest in people, **but also to Middle Income Countries (MICs) that do not have access to sufficient long-term financing to help foster development**.

**Norway**

* Better coordination of humanitarian and development finance

**Palau**

* [..] invest in people, **particularly in children for whom the ‘future we want’ belongs**.

**Republic of Korea**

* ODA should be better targeted at the most vulnerable

**Russia**

* Bracket ‘blended or pooled’ financing

**Switzerland**

* Switzerland supports language that encourages better targeting ODA to countries most in need including LDCs, lower middle income countries and in particular countries affected by conflict, as these countries highly depend on ODA and have limited access to other sources of finance. In this regard, Switzerland strives to develop measures to progressively increase the share of Swiss ODA to LDCs.

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)”.

**Groups:**

**G77 & China**

* ~~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)”.~~
* **58alt. We affirm that the proposal of redefining ODA and its criteria of allocation shall be discussed openly and transparently and agreed upon multilaterally by all member States under the auspices of the UN. Such discussions shall not dilute the commitments already made**
* **pre59. We recognize the importance and different history and particularities of South-South cooperation, and we reaffirm our view of South-South cooperation as a manifestation of solidarity among peoples and countries of the South that contributes to their national well-being, their national and collective self-reliance and the attainment of internationally agreed development goals, including the Millennium Development Goals and the SDGs. South-South cooperation and its agenda have to be set by countries of the South and should continue to be guided by the principles of respect for national sovereignty, national ownership and independence, equality, non-conditionality, non-interference in domestic affairs and mutual benefit.**
* **Pre59bis. We stress that South-South cooperation is not a substitute for, but rather a complement to, North-South cooperation and we recognize that South-South cooperation takes different and evolving forms, including the sharing of knowledge and experience, training, technology transfer, financial and monetary cooperation and in-kind contributions.**

**EU**

* Good basis, but we would like to see stronger references to the catalytic potential of international public finance (e.g. via innovative instruments such as blending). We also welcome the intention to hold open and inclusive discussions on the modernisation of the OECD/DAC statistical system, and in particular on the proposed indicator of “total official support for sustainable development” (TOSSD). The text should underline the importance of valorising and accounting all official support for sustainable development

**G77 Members:**

**Ethiopia**

* On Paragraph 58 we would like to include a sentence at the beginning that reads: **In addition to using ODA for poverty reduction, basic social service investment, human development and economic growth, an important use of ODA could also be** [..] and goes on.

**Other Member States:**

**Australia**

* We also need to reflect on the suite of international public finance tools available for countries to use as donors and lenders. Countries can provide not only grant finance, but also blended finance, and a range of debt and risk instruments. We also agree with Turkey and Norway regarding the importance of results-based instruments, which can be effective in targeting key groups, such as SMEs, women and girls, or key sectors such as energy, water or health. We can work in partnership to leverage our credit ratings and work on issues of strategy and planning, support capacity building, and develop facilities to create bankable projects. These issues should not only be captured in paragraph 58, but supported in their own right. We propose the following language on this in 55bis (see above)
* With respect to paragraph 58, we note that the definition of ODA and the proposed total official support for sustainable development indicator are constructs of the OECD DAC. Therefore, discussions on the modernisation of ODA would need to occur under the auspices of the DAC, and this should be made clearer in the text.
* ~~We will~~  **We encourage the OECD-DAC to** 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)”.

**Canada**

* We strongly support efforts to use ODA to effectively leverage additional resources from the private sector. Modernization of the definition of ODA will play an important role in achieving this goal, and we welcome that the OECD has widened its consultations on ODA and TOSSD to include developing countries and other stakeholders.

**Palau**

* We support the statement that ODA can ‘help strengthen domestic enabling environments” and we’d like to include ‘***good governance’*** as one of the enabling environments in the second sentence. So it should read, “ODA can support ……..and help strengthen domestic enabling environments, **including good governance*.***

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. We invite developing countries in a position to do so to further scale up their efforts and make their support more effective, in keeping with the provisions of the Nairobi outcome document of the High-Level United Nations Conference on South South Cooperation. 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 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, according to methodologies conceived by developing countries that better fit their specificities. We also commit to strengthening triangular cooperation as a means of bringing relevant experience and expertise to bear in development cooperation.

**Groups:**

**G77 & China**

* We **also** welcome the **adoption of decision 18/1 of the high-level committee on south-south cooperation**  ~~increased contributions of Southern partners to sustainable development~~ and look forward, **in this regard,** to **scaling up** ~~a further strengthening of~~ South-South cooperation **within the united nations development system, including through additional budgetary, financial and human resources to the united nations office of south-south cooperation (UNSSC)**. ~~and triangular cooperation, including through multilateral efforts in new institutions~~. We invite developing countries in a position to do so **further strengthen** ~~to further scale up~~ their efforts and make their support more effective **and impactful, upon request by developing countries**~~,~~ in **accordance** ~~keeping~~ with the provisions of the Nairobi outcome document of the High-Level United Nations Conference on South South Cooperation **adopted by the general assembly resolution 64/222** ~~. 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 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, according to methodologies conceived by developing countries that better fit their specificities~~. We also commit to strengthening triangular cooperation as a means of bringing relevant experience and expertise to bear in development cooperation.
* **59bis. We agree to increase by X% the ODA allocations to finance triangular cooperation initiatives, in order to ensure additional support to the exchange of knowledge, best practices, experiences and relevant public policies. The initiatives shall be defined among principles of the South-South such as solidarity, reciprocity, respect for national sovereignty, national ownership and independence, non-conditionality, non-interference in domestic affairs, shared governance and mutual benefits.**

**EU**

* We expect all countries to contribute their fair share, by which we mean universal commitments in line with capabilities. The Synthesis Report of the UN Secretary-General called on all developed countries to commit to the 0.7 % ODA/GNI target and the LDCs target of 0.15 % ODA/GNI, but also for other countries to set targets and timelines to increase their contribution to international public financing in a transparent manner. This paragraph needs to put forward ambitious and concrete commitments for emerging economies and UMICs. This should include specific transparency commitments from all providers.

**AOSIS**

* AOSIS supports these proposed amendments and deletions by G77.
* The creation of new categories of countries (e.g. those in a position to scale up efforts) is unnecessary.

**LDCs**

* SSC as a complement is vital for LDCs

**G77 Members:**

**Brazil**

* Principles from Nairobi declaration have to be mentioned
* Delete reference to targets

**Ethiopia**

* On South-South cooperation, it is vital that we incorporate language that identifies *S-S cooperation as distinct from and complementary to official aid flows, and would highlight the Nairobi declaration of 2009 in this regard.*

**India**

* Do not support targets and timelines

**Saudi Arabia**

* Delete from second sentence until second-to-last sentence

**Thailand**

* [..] to bear in development cooperation. **Developed countries, regional institutions and international institutions are encouraged to provide capacity building and experience sharing to emerging donor countries so that they can overcome key systematic challenges and constraints.**

**United Arab Emirates**

* Delete paragraph

**Other Member States:**

**Australia**

* Australia is of the view that the text needs better balance in relation to South-South donors who should fulfil transparency requirements in relation to the concessional and non-concessional finance they provide through South-South Cooperation.
* Finally, there should be explicit connections in the text between all international public finance, including South-South cooperation, and the national development finance strategies referenced in paragraph 7 and their links back to national budgets and auditing. We note that this is in line with the text of the Nairobi outcome document, particularly paragraphs 18 and 19, in relation to transparency and accountability, alignment with countries development plans and engagement with multi-stakeholder partnerships including the private sector and civil society.
* 59 revised: 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. We invite developing countries in a position to do so to further scale up their efforts and make their support more effective, in keeping with the provisions of the Nairobi outcome document of the High-Level United Nations Conference on South-South Cooperation This will involve improved mutual accountability and transparency in accordance with national development plans and priorities. It will also require a multi-stakeholder approach, including non-governmental organisations, the private sector, civil society, academia and other actors in line with national development strategies and plans.
* 59. cont…We encourage South-South providers to work to further enhance mutual accountability and transparency with respect to cooperation provisions so as to enable partner countries to reflect best practice public financial management practices, including through the use of competitive tendering processes, budget management and auditing practices to assist partner countries in planning the most effective use of this support, and to consider including targets and timelines where appropriate, according to methodologies conceived by developing countries that better fit their specificities. We note the financing framework links between this section and paragraph 7 in relation to national sustainable finance strategies, public domestic finance and the debt and debt sustainability chapters.
* 59. cont… We welcome the initiative of developing country providers to work collectively through the UN Development Cooperation Forum and the Global Partnership for Effective Development Cooperation to improve data …

**Canada**

* Canada supports efforts to further enhance mutual accountability and transparency in the context of South-South and triangular cooperation, including development of methodologies conceived by new donor countries that better fit their specific circumstances.

**Germany**

* Section should not fall behind the report of the Intergovernmental Committee of Experts on Sustainable Development Financing which recognized that all flows are important
* ODA alone cannot finance the SDGs, language to this regard should remain in this section

**Mexico**

* [..] look forward to a further strengthening of South-South cooperation and triangular cooperation **in the context of the implementation of the post-2015 Development Agenda**.
* [..] and coordinating policies on South-South cooperation. **The UN support to South-South cooperation (SSC) and triangular cooperation (TrC) should continue to facilitate the exchanges of views or knowledge on successful strategies, practices and experience and proven projects or programmes, utilizing the appropriate existing Fora, such as the High level Committee on SSC and the Development Cooperation Forum of ECOSOC, as appropriate in accordance with their respective mandates. We make a call to ensure that Southern partners are fully and effectively involved in the preparation of these dialogues.** [..]
* Should also explicitly welcome triangular cooperation

**Norway**

* [..] efforts in new institutions. We **encourage** ~~invite~~ developing countries [..]

**Sweden**

* Stronger call on emerging economies to make commitments

**Japan**

* Japan supports the para on South-South cooperation. In particular the reference to enhancing mutual accountability and transparency is most appropriate.

**United Kingdom**

* Call on upper middle income countries to start making commitments on international public finance

60. We reaffirm the importance of meeting in full existing commitments under international conventions, including on climate finance and other key global challenges.[[4]](#footnote-4) 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 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.

**Groups:**

**G77 & China**

* We reaffirm the importance of meeting in full existing **financing** commitments under international conventions, including on climate **change** ~~finance~~ and other key global challenges.[[5]](#footnote-5) ~~We reaffirm the importance of meeting in full existing commitments under international conventions, including on climate finance and other key global challenges~~. **Given that the impacts of climate change represent new and additional challenges to sustainable development,** we recognize that **new and additional** 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**, sustainable management of forests** and combatting land degradation and desertification, science, innovation and new technologies. We welcome pledges made to the initial capitalization of the Green Climate Fund **and call for the delivery of such pledge as soon as possible** and the Board’s work to fully operationalize the Green Climate Fund as soon as possible. **and its decision to aim for a floor of 50 per cent of the adaptation allocation for particularly vulnerable developing countries, including SIDS, LDCs, and African States**, **and we note the importance of continued support to address gaps in the capacity to gain access to and manage climate finance.** 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, **highlighting the importance of these funds to be new, additional adequate and predictable** ~~coming from a wider variety of sources, public and private, bilateral and multilateral, including alternative sources of finance~~**. In this regard, countries that have made pledges to the Green Climate Fund should complete their contributor agreements as soon as possible to meet the requirement of at least US$ 4.6 billion in the form of signed contributor arrangements in order for the initial capitalisation of the Green Climate Fund to be effective and to enable the Board of the Green Climate Fund to take funding decisions by October 2015. We call for a robust monitoring and accountability mechanism to track delivery against this commitment.**

**EU**

* We welcome narrative on climate finance which strikes a good balance
* We would want the Addis outcome to confirm that international public finance – like domestic public finance – should integrate co-benefits for the different dimensions of sustainable development, including global public goods such as climate and biodiversity.

**AOSIS**

* The Alliance supports G77’s positions on this paragraph.
* It does not make sense to mention international conferences and refer to climate finance, as there are no current commitments for “climate finance.”
* AOSIS supports the acknowledgement of the Green Climate Fund’s decision to aim for a minimum adaptation allocation, particularly for SIDS (also noted in the SAMOA Pathway, para 15).
* The clause on “meaningful” mitigation actions should be deleted, as it is an unnecessary qualification.
* The clause specifying where the climate funds come from is also unnecessary, as this is being dealt with under the UNFCCC process, and dilutes the obligation for developed countries to provide climate finance.

**LDCs**

* [..] including alternative sources of finance. **We agree to provide 50 per cent of the resources under adaption fund to LDCs.**

**PSIDS**

* Climate financing must not be double counted as ODA

**G77 Members:**

**Peru**

* Incorporate the notion of measuring results when addressing transparency and funding sources

**Saudi Arabia**

* 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 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. **We call for a robust monitoring and accountability mechanism to track delivery against this commitment. We stress on the importance of meeting the deadline of April 30, 2015 to have fully executed contribution agreement.**

**United Arab Emirates**

* ‘alternative sources of finance’ needs more clarity

**Other Member States:**

**Canada**

* The Green Climate Fund has met the criteria for being fully operational. Therefore we suggest replacing “to fully operationalize the Green Climate Fund” with “to start approving programming in October 2015”. We also recommend using the language of the Copenhagen commitment.

**Iceland**

* [..] combatting land degradation and desertification **and protecting marine and coastal ecosystems from significant adverse impacts**, science [..]

**Mexico**

* [..] climate resilient development, **support for developing countries’ adaptation efforts**, conservation of [..]

**New Zealand**

* Should refer to resource mobilization rather than capitalization of GCF

**Palau**

* [..] climate resilient development, **health of the oceans**, conservation [..]

**Republic of Korea**

* The Republic of Korea welcomes paragraph 60 in its entirety, in particular the sentence, “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.”, and opposes any changes or revisions to the current text. In addition, the Republic of Korea suggests to include the sentence, “**We further recognize the GCF as the main operating vehicle of the climate finance**,” following the sentence quoted above. The Korea strongly believes that the GCF should play a pivotal role in the climate finance mechanism, as the organization’s primary purpose is to provide necessary support to developing countries to address climate change, and thus its role should also be emphasized in the outcome document.

**Sweden**

* Support language, should urge countries to make substantial contributions to the Green Climate Fund

**Switzerland**

* Switzerland reaffirms its commitments taken under the various international conventions, including on climate change, biodiversity, and other key challenges. We therefore fully support these paragraphs in this section in its entirety, and strongly suggest they should remain there. We also agree with the colleague from South Africa who asked on behalf of the G77 and China that countries fulfil their commitments to contribute to the Green Climate Fund. We are happy to share with you that, just today, Switzerland formally signed the transfer of the first tranche of its announced contribution of 100 million US Dollars and hope other countries will follow soon.

**United Kingdom**

* Strengthen synergies between development, sustainability and action on climate change; there are significant win-wins between economic development and low-carbon, resilient development in many areas which should be fully exploited; for example in the energy and transport sectors and in the development of cities
* greater integrate climate finance and development finance should enable more of these synergies to be exploited while reducing the risk that investments result in a conflict between achieving development objectives and climate objectives

61. 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.

**Groups:**

**G77 & China**

* ~~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 stress that Climate finance must not be double counted as ODA and therefore must be considered as separate from and additional to ODA.** 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.

**EU**

* We welcome narrative on climate finance which strikes a good balance
* We would want the Addis outcome to confirm that international public finance – like domestic public finance – should integrate co-benefits for the different dimensions of sustainable development, including global public goods such as climate and biodiversity.

**AOSIS**

* The language on climate finance reflects an established G77 position and is supported by the Alliance.
* AOSIS promotes the idea that climate finance is supplementary and additional to ODA. It is critical for SIDS that the commitments made to climate finance under the UNFCCC process are fully respected, and not in any way undermined or usurped by commitments made under the FfD framework.

**G77 Members:**

**Saudi Arabia**

* 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 **the importance of concessional climate finance in this regard**, as well as 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.

**Other Member States:**

**New Zealand**

* Effectiveness of climate finance is key – [..] accounting for **effective** climate finance [..]
* Should recognize co-benefits of climate and development related activities

**Mexico**

* Add gender perspective
* [..] work in the UNFCCC. **In this regard, we commit to ensure greater coordination and effectiveness of financing efforts, including by promoting the mainstreaming of international climate friendly flows.**

**Norway**

* Add reference to results-based financing mechanisms to align development and environmental agendas, specifically for addressing deforestation (REDD+)

**Palau**

* We’d like to make amendments to the text in order to strengthen its reference to ‘well-designed development actions (that) can capture multiple local and global benefits, including those related to climate change.” The recommended changes are in italics and highlighted and the new paragraph 61 reads:

“We further acknowledge the importance………sustainability of development results. **Accordingly, we agree to promote incentives and assistance which will enable states to anticipate disaster risks and integrate risk management, including infrastructure and psychosocial resilience building, into their own development processes, and set appropriate implementation budget allocations.** We recognize that well-designed development actions…………….and welcome the on-going work in the UNFCCC. **In addition, we agree to adapt and refine international tools for responding to crises and shocks, including crises such as prolonged displacement situations, by providing more predictable and flexible crisis response funding, diversifying funding sources and increasing the use of innovative financing mechanisms, while also committing to reducing the transaction costs related to relief operations.”**

**Switzerland**

* We support the acknowledgement of the importance of aligning all financial flows with all three dimensions of sustainable development. In this regard, we would like to emphasize the need to integrate risk and resilience considerations into international public finance.

**United Kingdom**

* Strengthen synergies between development, sustainability and action on climate change; there are significant win-wins between economic development and low-carbon, resilient development in many areas which should be fully exploited; for example in the energy and transport sectors and in the development of cities greater integrate climate finance and development finance should enable more of these synergies to be exploited while reducing the risk that investments result in a conflict between achieving development objectives and climate objectives

62. 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.

**Groups:**

**G77 & China**

* 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 **new and** additional, and disbursed in a manner that respects the priorities **and particular context** of developing countries, ~~and does not unduly burden them~~.

**EU**

* Welcome language on innovative finance

**LDCs**

* [..] These sources should be additional, and disbursed **through existing multilateral institutions, in particular through the UN system organizations with an especial focus on LDCs** in a manner that respects the priorities of developing countries, and does not unduly burden them.

**G77 Members:**

**Peru**

* It is hereby noted that the current list of innovative modalities could be understood as a mandatory set of measures to be implemented as innovative modalities. In this regard, the paragraph could allude exclusively to an invitation to countries to develop such modalities without explicitly mentioning them.

**Saudi Arabia**

* Delete paragraph

**United Arab Emirates**

* Delete list of specific instruments and taxes

**Other Member States:**

**Canada**

* We would request deletion of the language in this paragraph that refers to the use of carbon taxes and the pricing of carbon. The level of energy taxation should be determined in light of respective domestic economic priorities. Furthermore, we would propose deletion of language that identifies specific sectors for taxation to raise additional funds for international assistance.

**France**

* Welcome mention of Leading Group
* Dual of increasing mobilization and effectiveness should be reflected better
* Suggest to include further mechanisms on impact investment, green bonds, mechanisms for risk transfers, aviation taxes and others

63. 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 stress that development banks should fully utilize their balance sheets, consistent with maintaining their financial integrity, to help support the ambitions embodied in the SDGs. Regional and multilateral development banks are able to provide non-concessional and concessional development finance to LLDCs, LDCs, SIDS, fragile and conflict affected states, sub-Saharan Africa, as well as middle income developing countries by leveraging contributions and capital, and by mobilizing substantial resources from capital markets. Development banks can play a particularly important role in alleviating constraints on financing infrastructure investment. In this regard, we welcome initiatives to expand the supply of such finance, including through the establishment of new MDBs such as the New Development Bank and the Asian Infrastructure Investment Bank. We also welcome efforts to establish new infrastructure investment platforms by established MDBs. 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.

**Groups:**

**G77 & China**

* 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 stress that development banks should fully utilize their **financial resources** ~~balance sheets~~, consistent with maintaining their financial integrity, to help support the ambitions embodied in the SDGs. Regional and multilateral development banks are able to provide non-concessional and concessional development finance to LLDCs, LDCs, SIDS, **Africa, countries and people under foreign occupation,** fragile and conflict affected states, ~~sub-Saharan Africa~~, as well as middle income developing countries by leveraging contributions and capital, and by mobilizing substantial resources from capital markets. Development banks can play a particularly important role in alleviating constraints on financing infrastructure investment. In this regard, we welcome initiatives to expand the supply of such finance, including through the establishment of new MDBs such as the New Development Bank and the Asian Infrastructure Investment Bank**, the African Development Bank initiative, Africa 50 Fund, Bank of Alba and the Bank of the South**. We also welcome efforts to establish new infrastructure investment platforms by established MDBs **such as the recent increase in the capital of the inter-American investment corporation**. 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, **including** ~~e.g.~~ through long-term infrastructure ~~and green~~ bonds.

**EU**

* We welcome the text on MDBs, which should be amended to reflect the outcome of the upcoming spring meetings' discussions. But would caution against lowering useful standards for the sake of expediency.

**African Group**

* Delete reference to Sub-Saharan Africa and reference Africa as a whole

**AOSIS**

* AOSIS supports the proposals of G77.
* The Alliance highlights the importance of ensuring that development banks support SDGs and sustainable development priorities, including through the provision of concessional finance to SIDS.

**LDCs**

* IDA and others regional and multilateral development banks should shift to all grant financing for LDCs
* LDCs also need counter-cyclical financing and shock facilities
* Create infrastructure funding facility dedicated to LDCs to process bankable projects

**G77 Members:**

**China**

* Support welcoming of new institutions, design should take into account lessons from existing institutions

**Other Member States:**

**Australia**

* Welcome language on new development banks

**Canada**

* The Multilateral Development Banks (MDBs) can play a major role in advancing the SDGs by optimizing the use of their existing resources. Thus, as a shareholder we encourage the MDBs to better utilize their balance sheets while remaining financial sustainable.

**Iceland**

* Development banks should ensure efficient use of their balance sheets. At the same time we need to carefully consider risk implications and the long term financial sustainability of MDBs, also ensure debt sustainability in client countries as well their absorption capacity. In this context, fragmentation and proliferation of new overlapping financial channels should also be avoided
* [..] development banks should **efficiently** ~~fully~~ utilize their [..]

**Japan**

* Japan does not support reference to the establishment of specific new MDBs that are under negotiation and yet to be proven as an effective means to address the financial gap in a meaningful way. I doubt that the member states have enough information and knowledge to welcome them as in the zero draft. In our view, the quantity of financing should be expanded without compromising on the quality aspect and the safeguards and this should be clear in the text.

**Russia**

* Stick to agreed definitions of UN country categories, delete reference to ‘fragile states’ and ‘sub-Saharan Africa’

**Switzerland**

* We welcome that the Zero Draft highlights the critical role **Multilateral Development Banks** will play in promoting knowledge sharing, leveraging financial resources, and capacity building. We encourage efforts by the MDBs to guarantee the integrity of the safeguards while making their processes more efficient and time-sensitive. We also welcome the creation of new development banks. They can become strong partners in the international development architecture if they work together with and complement existing development actors, and apply international best practices including with regard to social and environmental safeguards.
* Finally, while we agree with the notion that MDBs should fully utilize their balance sheets to provide much needed support to countries this must take into account considerations of countries’ debt sustainability.

**Turkey**

* [..] in alleviating internal constraints, **enhanced co-financing mechanisms and further incorporating development aspects in their policies and operations such as inclusiveness and gender**. We encourage [..]

64. We note with concern that when countries graduate to middle income status, they often lose access to sufficient finance to meet their needs. We 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).

**Groups:**

**G77 & China**

* We note with concern that when countries graduate to middle income status, they often lose access to **bilateral and multilateral** sufficient finance to meet their needs. **We therefore call for measures to deal with this problem in order to ensure adequate financing for these countries.** We encourage MDB shareholders to apply criteria **linked with broader and more comprehensive measures that go beyond per capita income 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, **inequality,** vulnerability **to external shocks, climate change, natural disasters, institutional weakness**, 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)~~.

**EU**

* We welcome the text on MDBs, which should be amended to reflect the outcome of the upcoming spring meetings' discussions. But would caution against lowering useful standards for the sake of expediency.

**AOSIS**

* AOSIS supports the proposals of G77
* In particular, the Alliance supports the reference to climate change and natural disasters, as these are major factors associated with vulnerability in SIDS.

**Other Member States:**

**Australia**

* Australia strongly supports deeper analysis of graduation issues as per paragraph 64, as identified by Turkey, to ensure that financing is structured so as to incentivise moves towards graduation, as articulated in the excellent intervention by Rwanda earlier in the week.

**Canada**

* Canada is open to reviewing graduation criteria or limits on access to finance, but has significant reservations regarding proposals to apply the current graduation criteria flexibly; this would undermine the relevance of any such criteria. We believe discussions to this effect should take place within the MDBs themselves. We believe that concessional finance should be focused on soft-window eligible countries or exceptionally for middle-income countries with small state status.

**Mexico**

* Paragraphs 64 bis, ter alt:
  + We recognize the need to devise methodologies to better account for the complex and diverse realities of MICs and to provide an improved basis for flexible, targeted and differentiated strategies for effective development cooperation with MICs, based on their specific country situations and relevant sectorial and regional capacities, including through innovative financial mechanisms and the provision of loans and technical cooperation as well as grants where necessary, and bilateral ODA for those countries that still require so, in particular Lower-MICs. We encourage concrete proposals from all stakeholders to address this challenge, and in this regard, we recognize the value of multidimensional poverty measurement for better and more targeted development strategies (in its global and different national expressions.
  + We call upon the United Nations System to establish a Comprehensive Action Plan for cooperation with middle-income countries in the context of the implementation of the Post-2015 Development Agenda.
  + MICs often do not have sufficiently deep and inclusive financial systems, and these resources can support longer term investments that are channeled towards productive investments that otherwise would not be realized. These resources can also break path and catalyze other private flows into areas that may have high social and developmental returns, but that are little known and therefore perceived as overly risky by private investors. The role of ODA (channeled through MDBs) can signal that these sectors are worthwhile, opening the door to further resources to flow in, both in LDCs and MICs.

**New Zealand**

* [..] graduate to middle income status, they **may** ~~often~~ lose access [..]
* [..] ability to mobilize domestic **and international** resources, access to [..]

**Russia**

* Delete ~~apply criteria flexibly~~

**Turkey**

* [..] up to date and relevant. **We encourage all MDBs to develop post-graduation policies to continue their development assistance in a transitional period of time.**

65. 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.

**Groups:**

**G77 & China**

* We call on the IFIs to establish a process to examine the**ir own** role, scale and functioning ~~of the multilateral and regional development finance institutions~~ to make them more responsive to the sustainable development agenda. **We underline that regional investments in key priority sectors require the expansion of new financing mechanism, and call upon multilateral and regional development finance institutions to support regional and sub-regional organizations programs, We acknowledge the lack of early stage project preparation support, alongside the capacity constraints are key obstacle for the implementation of infrastructure development. In this regards, we will support the project preparation facilities (PPFs), such as the NEPAD Infrastructure Project Preparation Facility (IPPF), and strengthen the development of human resource capacities**

**EU**

* We will consider the possibility of using financing solutions by MDBs to increase finance in support of SDG, efficiency and effectiveness, while respecting MDBs' own governance structures. We would also want to see a more positive tone in this paragraph, and avoid implying that IFIs are not responsive.

**G77 Members:**

**Saudi Arabia**

* Delete

**Other Member States:**

**Australia**

* 65. We acknowledge the World Bank’s small island state exception as a noteworthy response to the financing challenges of SIDS. We call on other financial institutions ~~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.
* 65 bis. We note that many developing countries, including some LDCs, are able to access international private financing for sustainable development, but that some countries, especially SIDS, are not able to do this without international support. We agree to explore innovative ways of encouraging SIDS’ access to private financing and ensuring continued access to concessional finance and ODA, particularly in response to external shocks and natural disasters.

**Canada**

* Similar to our comments on paragraph 64, any changes to the MDBs’ mandates would first need to be discussed within and directed by the institutions themselves. The role, scale and functioning of the MDBs is already clearly defined. The MDBs are highly committed and responsive to the sustainable development agenda.

**France**

* Emphasize positive role of regional and multilateral development banks
* Do not agree on establishing a new process

**New Zealand**

* Acknowledge the World Bank’s small island state exception as a noteworthy response to the financing challenges of SIDS
* 65bis. **We note that many developing countries, including some LDCs, are able to access international private financing for sustainable development, but that some countries, especially SIDS, are not able to do this without international support. We agree to explore innovative ways of encouraging SIDS’ access to private financing and ensuring continued access to concessional finance and ODA , particularly in response to external shocks and natural disasters.**

66. We also recognize the contributions made by partnerships among public and private providers, both globally and nationally, including their contribution to technical assistance and capacity building. In this regard, we encourage the inclusion of lessons learned in the consideration of future partnership programs and call on them to work with and alongside existing instruments and institutions to ensure coordinated, cross-sectorial and integrated approaches in support of country-driven priorities and strategies.

**Groups:**

**G77 & China**

* We also recognize the contributions made by partnerships among public and private providers, both globally and nationally, including their contribution to technical assistance and capacity building. In this regard, we encourage **these partnerships to hold open, inclusive and transparent discussions** ~~the inclusion of~~ **on** lessons learned in the consideration of future partnership programs and call on ~~them~~ **all relevant actors** to work with and alongside existing instruments and institutions to ensure coordinated, cross-sectorial and integrated approaches in support of country-driven priorities**, policies** and strategies. **All partnerships must be carried out with a view to eradicating poverty as the overarching objective of the sustainable development agenda and the P2015DA mindful of the national policies’ and priorities determined by the governments including when applicable kin the UN development assistance framework with funds programmes and specialized agencies.**

**Other Member States:**

**Palau**

* With regards to contributions made by partnerships among public and private providers, we want to note the need for continued participation of civil society and NGOS and propose amendment to the first sentence to read:

We also recognize **and appreciate**the contributions made by partnerships among public and private providers, **the civil society and NGOs**, both…………and capacity building”

67. We acknowledge the critical importance of biodiversity in poverty reduction and social and economic development, and recognize that investments in marine, freshwater and terrestrial ecosystems are part of the solutions to financial crises, food crises, water crises and natural disasters. We are committed to realizing the Convention on Biological Diversity’s decisions on resource mobilization for implementing the strategic plan for 2011-2020 and beyond. Alignment of sectorial policies with environmental values can be achieved by adopting appropriate economic instruments, increasing public revenue.

**Groups:**

**G77 & China**

* ~~We acknowledge the critical importance of biodiversity in poverty reduction and social and economic development, and recognize that investments in marine, freshwater and terrestrial ecosystems are part of the solutions to financial crises, food crises, water crises and natural disasters. We are committed to realizing the Convention on Biological Diversity’s decisions on resource mobilization for implementing the strategic plan for 2011-2020 and beyond. Alignment of sectorial policies with environmental values can be achieved by adopting appropriate economic instruments, increasing public revenue~~.
* **67alt. We recognize that oceans, seas and coastal areas form an integrated and essential component of the Earth’s ecosystem and are critical to sustaining it, and that international law, as reflected in the United Nations Convention on the Law of the Sea,**[[6]](#footnote-6) **provides the legal framework for the conservation and sustainable use of the oceans and their resources. We stress the importance of the conservation and sustainable use of the oceans and seas and of their resources for sustainable development, including through their contributions to poverty eradication, sustained economic growth, food security and creation of sustainable livelihoods and decent work, while at the same time protecting biodiversity and the marine environment and addressing the impacts of climate change. We therefore commit to protect, and restore, the health, productivity and resilience of oceans and marine ecosystems, to maintain their biodiversity, enabling their conservation and sustainable use for present and future generations, and to effectively apply an ecosystem approach and the precautionary approach in the management, in accordance with international law, of activities having an impact on the marine environment, to deliver on all three dimensions of sustainable development.**
* **67altbis.** **We reaffirm the importance of area-based conservation measures, including marine protected areas, consistent with international law and based on best available scientific information, as a tool for conservation of biological diversity and sustainable use of its components. We note decision X/2 of the tenth meeting of the Conference of the Parties to the Convention on Biological Diversity, held in Nagoya, Japan, from 18 to 29 October 2010, that, by 2020, 10 per cent of coastal and marine areas, especially areas of particular importance for biodiversity and ecosystem services, are to be conserved through effectively and equitably managed, ecologically representative and well-connected systems of protected areas and other effective area-based conservation measures.**

**EU**

* We welcome the reference to the Convention on Biological Diversity’s decisions on resource mobilisation but would like to see more positive language to emphasise the role of biodiversity in helping encourage stability and security. The section should also cover pollution.

**AOSIS**

* AOSIS supports the proposals of G77 on 67alt and 67altbis.
* The alliance support investments in marine, freshwater and terrestrial ecosystems, as they are of critical importance to SIDS, and also to maintain consistency with the previous amendment proposed to para 16 of the text.
* This text is a formulation from Rio+20 The Future We Want (Para 158 & 177) and is supported by the Alliance for its long held positions on protection marine ecosystems including through support for protection of biodiversity.

**G77 Members:**

**Niger**

* Take into account the issue of desertification

**Other Member States:**

**Iceland**

* We appreciate the references in this section to the the Convention of Biological Diversity and the UNFCCC. However we are missing language on the third Rio convention, namely the UNCCD
* We acknowledge the critical importance of biodiversity in poverty reduction and social and economic development, and recognize that investments in marine, freshwater and terrestrial ecosystems **as well as sustainable land management** are part of the solutions to financial crises, food crises, water crises and natural disasters. **We resolve to support and strengthen the implementation of the Convention to Combat Desertification, the 10-year strategic plan and framework to enhance its implementation (2008-2018) and the Rio Outcomes related to desertification, land degradation and drought.** **W**e are **further** committed to realizing the Convention on Biological Diversity's decisions on resource mobilization for implementing the strategic plan for 2011-2020 and beyond. Alignment of sectorial policies with environmental values can be achieved by adopting appropriate economic instruments, increasing public revenue.’

**Japan**

* From para 67 to 71, the draft tries to cover different sectors included in the OWG report. As I explained yesterday, some streamlining to eliminate duplication with Section I, paragraphs 10 to 16 is necessary.

**Mexico**

* Rephrase first sentence: **We acknowledge the critical importance of conservation of biological diversity and the sustainable use of its components in poverty reduction and social and economic development, and recognize that the provision of new and additional financial resources and appropriate access to relevant technologies are needed to address the loss of biological diversity.**

**Palau**

* [..] environmental values **including those related to the health of the oceans**

**Switzerland**

* Switzerland reaffirms its commitments taken under the various international conventions, including on climate change, biodiversity, and other key challenges. We therefore fully support these paragraphs in this section in its entirety, and strongly suggest they should remain there. We also agree with the colleague from South Africa who asked on behalf of the G77 and China that countries fulfill their commitments to contribute to the Green Climate Fund. We are happy to share with you that, just today, Switzerland formally signed the transfer of the first tranche of its announced contribution of 100 million US Dollars and hope other countries will follow soon.

**Turkey**

* We acknowledge the critical importance of biodiversity in poverty reduction and social and economic development, and recognize that investment ~~in marine, freshwater and terrestrial~~ **for restoration and maintenance of** ecosystems ~~are part of the solutions to financial crises~~, **can improve food security**, ~~food crises~~ **increase water** ~~crises~~ **availability** and **enable better response to** natural disasters. We are committed to realizing the Convention on Biological Diversity’s decisions on resource mobilization for implementing the strategic plan for 2011-2020 and beyond. Alignment of sectorial policies with environmental values can be achieved by adopting appropriate economic instruments, increasing public revenue.

68. We acknowledge the role of the Global Environment Facility (GEF) in safeguarding the global environment raising and allocating resources for environmental capacity building in developing countries. We recognize the broad number of environmental issues that need to be tackled at a project level, while at the same time fully support and acknowledge the current development of a more programmatic and integrated approach to sustainable development. We aim to enhance public and private contributions to the GEF in replenishment 7 for both purposes.

**Groups:**

**G77 & China**

* We acknowledge the role of the Global Environment Facility (GEF) ~~in safeguarding the global environment~~ raising and allocating resources for environmental **projects and** capacity building in developing countries. We recognize the broad number of environmental issues that need to be tackled at a project level, while at the same time fully support and acknowledge the current development of a more programmatic and integrated approach **based on the country driven and country ownership principle** to sustainable development. We aim to enhance public **contributions by developed countries** ~~and private contributions~~ to the GEF in **its 7th** replenishment ~~7~~ for both purposes. **and to support building capacity in developing countries, especially LDCs and SIDS, to access available funds**

**AOSIS**

* The Alliance supports G77’s proposed amendments in this paragraph.
* As there is no consensus around “environmental capacity building” and given it is not an internationally recognized concept, this language should made more appropriate to the GEF mandate.
* Capacity building in developing countries including SIDS is central to the success of the FfD framework. In many SIDS, access to GEF funds remains difficult due to capacity constraints. This is also an important theme in the SAMOA Pathway, which acknowledges that access to existing international arrangements and modalities for the financing of development is often a burden for SIDS (para 106(b)).

**G77 Members:**

**Saudi Arabia**

* We ~~aim~~ **would endeavour** to enhance [..]

**Other Member States:**

**New Zealand**

* [..] for both purposes **and continue improving the accessibility and disbursement of GEF funds.**

**Russia**

* **We recognize the broad number of environmental issues that need to be tackled at a project level, while at the same time fully support and acknowledge the current development of a more programmatic and integrated approach to sustainable development** ~~We acknowledge the role of the Global Environment Facility (GEF)~~ **and underline the importance of** ~~in~~ safeguarding the global environment **by** raising and allocating resources for environmental capacity building in developing countries. **We acknowledge the role of the Global Environment Facility (GEF) in this regard** ~~We recognize the broad number of environmental issues that need to be tackled at a project level, while at the same time fully support and acknowledge the current development of a more programmatic and integrated approach to sustainable development. We aim to enhance public and private contributions to the GEF in replenishment 7 for both purposes.~~

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.

**Groups:**

**G77 & China**

* Global partnerships have been ~~particularly effective~~ **successful** 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 **and strengthening** national health systems, **thorugh the critical support of an enabling global economic system,** 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.

**Other Member States:**

**Canada**

* We suggest referring to the importance of respecting the Minimum Standards for Child Protection in Humanitarian Action

**New Zealand**

* Add: Global partnerships have ~~been particularly effective in the field of~~ **contributed to leveraging a large amount of financing for** health, including the Global Fund to Fight AIDS, Tuberculosis and Malaria, and Gavi, the Vaccine Alliance. **However, investments should be in addition to, not instead of, investment in developing national health systems.** We **also** underscore the ~~importance of developing national~~ **need to consider resourcing for** health systems **and country budgets in light of the growing burden of non-communicable diseases globally, and** as highlighted […]

**Palau**

* Growing burden of non-communicable diseases and mental health need recognition
* [..] health risks, **including for non-communicable diseases as well as mental health and wellbeing, in addition to** recruitment [..]

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.

**Groups:**

**G77 & China**

* 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. **We also commit to expand significantly, at global level, the number of scholarships to developing countries, in particular LDCs, LLDC, SIDS, African countries and middle income countries for enrolment in higher education, including vocational training and information and communications technology, technical, engineering and scientific programmes.**

**Other Member States:**

**Canada**

* While Canada has just doubled the funding we provide to the Global Partnership for Education initiative, in this context we should support the scaling-up of support to education generally rather than focusing on a specific initiative like the GPE.

**Russia**

* Stick to agreed definitions of UN country categories

71. 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.

**Groups:**

**G77 & China**

* ~~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~~.
* **71alt.** **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. We acknowledge that food security and nutrition has become a pressing global challenge and, in this regard, we further reaffirm our commitment to enhancing food security and access to adequate, safe and nutritious food for present and future generations in line with the Five Rome Principles for Sustainable Global Food Security, adopted on 16 November 2009,**[[7]](#footnote-7) **including for children under the age of 2, and through, as appropriate, national, regional and global food security and nutrition strategies.**
* **71altbis. We recognize that a significant portion of the world’s poor live in rural areas, and that rural communities play an important role in the economic development of many countries. We emphasize the need to revitalize the agricultural and rural development sectors, notably in developing countries, in an economically, socially and environmentally sustainable manner. We recognize the importance of taking the necessary actions to better address the needs of rural communities by, inter alia, enhancing access by agricultural producers, in particular small producers, women, indigenous peoples and people living in vulnerable situations, to credit and other financial services, markets, secure land tenure, health care, social services, education, training, knowledge and appropriate and affordable technologies, including for efficient irrigation, reuse of treated wastewater and water harvesting and storage. We reiterate the importance of empowering rural women as critical agents for enhancing agricultural and rural development and food security and nutrition. We also recognize the importance of traditional sustainable agricultural practices, including traditional seed supply systems, including for many indigenous peoples and local communities.**

**G77 Members:**

**Sri Lanka**

* It is also necessary to facilitate import substitution policies for agriculture sector in order to mitigate possible external shocks and to ensure food security

**Other Member States:**

**Canada**

* We propose to eliminate this paragraph. The Secretary General’s High Level Task Force on the Global Food Security Crisis was established in 2008 as a response to the food price crisis at that time; however since 2010 there has been limited activity from that group. There are already a number of global and regional programs as well as multilateral organizations already working to improve food security and nutrition.

**Iceland**

* Fisheries should be reflected, especially in relation to food security

**Palau**

* [..] improve food security and nutrition **that includes breastfeeding for infants** [..]

**Russia**

* [..] and the Global Alliance for Climate-Smart Agriculture. **We emphasize the need to support vulnerable population through development and implementation of nationally-owned comprehensive social protection systems, including floors, and nutrition-sensitive programs. In this regard, we welcome the outcomes of the Second International Conference for Nutrition (ICN-2) - the Rome Declaration on Nutrition and the Framework for Action, that could serve as a platform for establishing national policies aimed at ensuring food security and nutrition for all.** [..]

72. 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 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.

**Groups:**

**G77 & China**

* We ~~also welcome~~ **take note of the** continued efforts to **improve the quality and** increase the **impact** ~~effectiveness~~ of development cooperation, **according to our respective roles in development cooperation modalities** and the progress that has been achieved. We ~~will further strengthen national ownership and alignment of~~ **align** activities with national priorities **and strategies**, including through ~~increased joint programming based on national strategies~~, fully untying aid, **avoiding conditionality,** strengthening its results orientation **predictability of funding , reducing fragmentation, supporting programme approach, using pooled finance mechanisms** and use of country systems, **reducing transaction costs,** ~~building genuine and inclusive partnerships~~, ~~and increasing~~ **supported by adequate mechanism of** transparency and mutual accountability. **Furthermore we will make development more effective and predicable by providing developing countries with regular and timely indicative information on plan support over the medium term. E**ffective **and impact of** 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**under the auspices of the United Nations.** ~~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~~.

**EU**

* Important to underline that effectiveness considerations should inform the provision of all categories of international public finance, and are actually relevant to the whole FfD agenda. Quantity and quality must go hand-in-hand. We would also want to see language on the financing of local authorities.

**AOSIS**

* AOSIS supports these G77 proposed amendments.
* The proposal on providing developing countries with planned support is based on the SAMOA Pathway, (para 105).

**LDCs**

* Improve the quality of aid by aligning it with national priorities, making it predictable, using country systems, programmatic approaches and pooled funding mechanisms, by improved donor coordination and harmonization, and by untying 100 per cent of aid to LDCs

**G77 Members:**

**Ethiopia**

* We are concerned in this section of the Zero draft, in particular about the perception of reduced importance of the aid effectiveness agenda, by not mentioning the issues of harmonisation, country ownership and other aid effectiveness priorities near the top of the section. We suggest therefore that paragraph 72 be moved up to the opening section, and that we add language that suggests *more needs to be done to fully reflect the agreements of Monterrey and GPEDC*. We should say that the *priority must continue to be national ownership*, and include the other elements of Monterrey that are not listed here including *predictability of funding, reducing fragmentation, supporting a programmatic approach and using pooled finance mechanisms and national systems.*

**Nepal**

* The para 72 touches on the effectiveness of development cooperation, which is a welcome call. In addition to this, we would also urge to clearly acknowledge the importance of country ownership, leadership, harmonization with countries’ needs, priorities and programs, and results focus, among other, under this paragraph.

**Other Member States:**

**Australia**

* While volume is a consideration, Australia considers the quality of finance and its effective use to be the most important guiding principle in this section. This is well set out in paragraph 72 and as the Ambassador from Benin has outlined earlier today. For Australia, priorities to deliver effectiveness are: emphasising country ownership, aligning with country priorities, harmonisation, focusing on results including system strengthening and mutual accountability.

**Mexico**

* Welcome reference to DCF and GPEDC, should be acknowledged in a separate paragraph

**Russia**

* Untying aid fully might not be feasible

## D. International trade for sustainable development

**Groups:**

**G77 & China**

* Trade discussion belongs to Geneva, FfD3 is not a forum for negotiating trade issues, but rather should propose political comments
* Link between trade and development is not automatic, but depends on the quality of trade, on its impact on industrialization – trade liberalization narrative needs to be seen in this context
* Use Monterrey and Doha title: International trade as an engine for development

**EU**

* Add more emphasis on the positive link between trade and inclusive growth and sustainable development
* The link between trade and sustainable development must be firmly established. This dimension is missing altogether. A new paragraph should be added to set a commitment to integrate sustainable development into trade policy at all levels. This notably concerns the inclusion of sustainable development provisions, including on the labour and environmental dimensions, in both trade and investment agreements. This additional OP should also call for greater support for the on-going plurilateral negotiations on green goods.
* Another element that is missing is the mention of "behind the border issues", for instance trade facilitation, technical norms and standards, IPR, etc. Yet there is broad recognition that tackling these issues, as the EU does in its trade agreements, is of increasing importance.
* Finally, we need to add a commitment to assess the impact of trade agreements on LDCs. Do not interfere with WTO prerogatives

**Arab Group**

* Trade must be framed as an engine of development

**LDCs**

* We want target on double share of LDC exports by 2020

**LLDCs**

* Include reference to Vienna Programme of Action

**G77 Members:**

**Ecuador**

* Diversification, adjustment and liberalisation must be flexible and based on national economic circumstances

**Ethiopia**

* We would like the inclusion of special support to Africa to increase its share in trade
* The international community can help develop internal productive national capacity including through trade related assistance to address barriers to trade and expand market opportunities, to allow LDCs to exploit these opportunities, trigger greater exports regionally and internationally, and attract further investment.
* The needs in terms of infrastructure and energy support are huge. Greater focus on economic development and infrastructure and energy needs within ODA and concessional lending would assist this, as would less conditionality on products entering other markets, and greater coherence between developed country trade and development ministries. We would like to include this paragraph in the trade section.
* We are very supportive of the language on the Bali package, on the Doha Development Agenda and the call to prevent trade barriers and enhance aid for trade.
* We would like to have a paragraph on a call to have an LDC focused trade pakage at the 2015 WTO Ministerial including additional full duty-free/ Quota- fee(DFQF) access, action on non- barriers, and further aid for trade.

**India**

* It is not our task to negotiate international trade in this forum. But we must look at it from a development perspective. Our task should be a development audit of international trade, economic and financial systems

**Sudan**

* Add paragraph on economic sanctions which can be harmful

**Timor-Leste**

* There is no mention of mode 4 (labour mobility) or phyto-sanitary standards
* Non-tariff barriers are not mentioned either and should be included

**Other Member States:**

**Japan**

* We fully acknowledge the importance of trade for development. We should not prejudge the ongoing negotiations on trade in WTO where the same member states represented by our respective experts are engaged in the negotiations on a daily basis.

**Latvia**

* Add paragraph that stresses the linkages between trade and sustainable development
* Suggest adding a paragraph to bring SDGs into all trade and investment rules

**Mexico**

* Need a commitment for coherence between RTAs and multi-lateral trade system.

**Russia**

* Need editing to change that we call on ourselves to do things

**Switzerland**

* Draft should better highlight the positive effect trade can have on all dimensions of sustainable development
* The text should better recognize the critical role of women as producers and traders and that we need to assure equal rights and opportunities for women to participate in international trade
* We also underline the need to take much more serious account of environmental challenges when increasing coherence between sustainable development, finance and trade as touched upon in para 91. We suggest to indicate the interrelations of trade and environment and add the notion of no hierarchy between, and mutual supportiveness of, international trade and environmental rules in the trade section.
* Please include an acknowledgement of the ongoing plurilateral negotiations aiming at liberalizing environmental goods, because positive effects of trade on the environment such as the dissemination of environmental goods, technologies and knowledge have to be strengthened in order to advance towards sustainable development. The liberalization of environmental goods follows this logic.

**United States**

* We acknowledge the importance of trade in the context of FfD, while recognizing the WTO as the main multilateral platform for discussions on trade. Nevertheless, we believe the FfD process must acknowledge the intrinsic link between a universal, rules-based, open, and non-discriminatory multilateral trading system and sustainable development (Para. 73). Today's trade discussion also provides an opportunity to acknowledge another important conference taking place in Africa later this year: the WTO's Tenth Ministerial Conference in Nairobi, Kenya in December. The United States looks forward to our continued work with Kenya and others in order to make this conference a success.
* We have noted the need to strengthen references to inclusion in our opening statement. Creating conditions that allow for full participation in the economy by women, on terms equal to those of men, essential for poverty reduction and fostering economic growth. In the trade context, we believe aspects of Para. 73 should be strengthened. We recommend emphasizing that, with the appropriate supporting policies – such as those that expand trade opportunities for women producers – trade can also promote decent work and combat inequality.
* To realize the economic and development benefits of the multilateral trading system, the United States calls on WTO Members to implement the decisions already reached during the Doha Round, including at the last WTO Ministerial in Bali (Para. 76). This includes bringing into force the WTO Trade Facilitation Agreement before the end of the year as Kenya has urged, as well as the TRIPS amendment to facilitate critical access to medicine for developing countries, including LDCs. The Trade Facilitation Agreement demonstrates the immense benefits of trade, and with its ratification, LDCs and other developing countries will receive much-needed support to make reforms and share in the substantial economic gains of global trade. WTO Members should also reaffirm our strong interest in concluding negotiations on a post-Bali work program that will bring about a prompt conclusion to the Doha Round.
* We would like to note our view that international agreements do not cause fragmentation (para. 74). Bilateral, plurilateral and regional agreements can be building blocks for new multilateral agreements. With respect to trade and investment agreements, we request clarity on language suggesting “macro prudential” regulations (para. 81).
* There is much work ongoing in the WTO that complements our efforts in FfD, yet we must consider the autonomy of separate institutions, with separate mandates. We would not support references in the outcome document to issues that are the purview of ongoing WTO discussions, including agricultural subsidies, rules of origin and how the TRIPS Agreement is interpreted (paras. 76 and 78). Our goal in the FfD discussions should be to have complementary and not duplicative outcomes, so that our attention and resources can be effectively and efficiently applied to fulfill a full range of goals.
* Let me close by underscoring the importance the United States attaches the role international trade has as an engine for sustained economic growth and development. Ultimately, we all want to see substantial expansion of trade and the lasting development outcomes that it can provide.

1. 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.

**Groups:**

**G77 & China**

* A universal, rules-based, open, **transparent, predictable, more inclusive and** non-discriminatory ~~and equitable~~ multilateral trading system ~~as well as meaningful trade liberalization~~ can serve as an engine of economic growth and **reduce poverty** ~~promote sustainable development,~~ not least by encouraging long-term private and public investment in productive capacities. With appropriate supporting policies, **appropriate infrastructure and an educated work force,** trade can ~~also~~ **help** promote **employment and** decent work, ~~combat~~ **reduce** inequality and contribute to the realization of the SDGs. **With** a**ppropriate supporting policies trade can also contribute to the achievement of the SDGs.**

**EU**

* The positive contribution of trade to inclusive growth and sustainable development should be more clearly emphasised. Paragraph 73 implies that a "universal, rules-based, open, non-discriminatory and equitable multilateral trade system" is an aspiration for the future. We disagree. This system already exists: it is the rules-based multilateral trading system established by the WTO, and it already plays an invaluable role in creating a level-playing field for all countries, notably developing ones. This must be clearly recognised.

**G77 Members:**

**Brazil**

* Managed trade liberalization rather than meaningful trade liberalization,
* Scope should be broader, we propose specific reference to decent work, inequality, food security, industrialization

**Ethiopia**

* We would suggest inclusion of a reference to jobs as more understandable to the ordinary man in the first paragraph.

**India**

* Delete: ~~meaningful trade liberalisation~~

**Sri Lanka**

* Delete: meaningful trade ~~liberalisation~~ can serve as an engine of economic growth […]

**Other Member States:**

**Mexico**

* Include emphasis to make an addition based on the concepts of “transparency” and “job creation”. We would also replace decent work with a more formal concept of “good working conditions”.

**Latvia**

* Acknowledge the existing rules-based multilateral trading system and recognise the benefits of the WTO-based system
* Need to recognise the mandate of WTO as the prime forum of trade negotiations and not infringe on it

1. We recognize that multilateral trade negotiations in the World Trade Organization (WTO) have progressed unevenly and slowly, although we regard the approval of the Bali Package in 2013 as an important sign that we can reach significant agreements at global level. We reaffirm our commitment to strengthening the multilateral system, and we commit to work towards reducing fragmentation caused by international trade and investment agreements. We call on members of the WTO to ratify the Trade Facilitation Agreement and implement the Bali Package, including the implementation of the decisions taken in favour of LDCs.

**Groups:**

**G77 & China**

* We recognize that multilateral trade negotiations in the World Trade Organization (WTO) have progressed unevenly and slowly, although we regard the **adoption** ~~approval~~ of the Bali Package in 2013 as an important **achievement for the international trade system.** ~~sign that we can reach significant agreements at global level~~. We reaffirm our commitment to strengthening the multilateral system, ~~and we commit to work towards reducing fragmentation caused by international trade and investment agreements~~. We call on members of the WTO to ~~ratify the Trade Facilitation Agreement~~ **subject to the compliance of the Doha round mandate on export competition in agriculture/** and implement the Bali Package **fully and expeditiously**, including the implementation of the decisions taken in favour of LDCs **and the work programme on small and vulnerable economies.**
* Add 74bis: **Since two-thirds of the WTO membership is developing countries, advancing a more development-friendly multilateral trading system is critical to ensuring that trade opportunities are made available on an equitable basis and new trade rules do not subvert the development financing prospects of developing countries, in particular LDCs.**

**EU**

* At the same time, the section should generate positive momentum for a prompt conclusion of the Doha Development Agenda as well as a prompt implementation of the encouraging Bali package, notably the Trade Facilitation Agreement and the LDC decisions. Paragraphs 74 and 76 should be more forthcoming in this respect and send a coherent message. They should also encourage WTO members in a position to do so to follow the EU's example, and prepare commercially meaningful preferences for LDC services and service suppliers, in the context of the Bali decision on the LDC services waiver.
* The trade section should be more forthcoming regarding the potential of trade agreements. The EU sees a contradiction between paragraph 74, which is critical of trade agreements, and paragraph 79, which is positive regarding the potential of regional trade integration – though it should be further reinforced. The EU's view is that bilateral and regional trade agreements that are compatible with WTO rules are key drivers of inclusive growth and sustainable development. They also play a key role in supporting developing countries' integration into both global trade flows and Global Value Chains.

**AOSIS**

* AOSIS supports G77’s proposals on this paragraph.
* The category of Small and Vulnerable Economies (SVE) is recognized under the WTO. The Work Programme was endorsed by the Ministerial Agreement agreed in Doha 2002, and this is in accordance with the SAMOA Pathway (para 107(a)).

**LDCs**

* Stronger reference to LDC aspects of Bali package needed – please list all the details

**LLDCs**

* Insert text based on paragraph 43 of VPoA, agreement on trade facilitation, add facilitation of trade for LLDCs, improve transit logistics: **We note that the Agreement on Trade Facilitation and its timely implementation in the context of the Bali package has a particular importance towards facilitating trade for LLDCs as it allows for further expediting the movement, release and clearance of goods, including goods in transit. We agree to provide technical assistance and improvement of trade- and transit-related logistics to enable LLDCs to fully participate in and benefit from multilateral trade negotiations, effectively implement policies and regulations aimed at facilitating transport and trade, and diversify their export base.**

**G77 Members:**

**China**

* Delete: ~~unevenly and slowly~~
* Delete: ~~and we commit to work towards reducing fragmentation caused by international trade and investment agreements~~

**India**

* We must not be selective, but focus on implementation of the entire Bali package

**Other Member States:**

**Australia**

* Welcome reference to Bali and especially Trade Facilitation Agreement
* Please add some references or examples to existing trade facilities designed to support trade development, for example to Australian global trade facility and the WB trade facilitation support programme

**Canada**

* Bilateral and regional trade agreements can complement the multilateral trading system rather than leading to its fragmentation. We suggest reframing the reference as a call to ensure complementarity.
* We also suggest rewording the sentence on the Bali package for technical accuracy to read: **We call on members of the WTO to implement the Bali package, including ratification and implementation of the Agreement on Trade Facilitation and the implementation of the decisions taken in favour of LDCs.**

**Iceland**

* We support the strengthening of the multilateral system - however we believe that the language in the latter part of this sentence, on the international trade and investment agreements, could be reframed in a more positive tone or be taken out altogether. In our opinion it does not harmonize well with - and even contradicts paragraph

**Japan**

* We propose the deletion of the word “unevenly” in the second line. It is not clear what is meant by “negotiations in the WTO have progressed unevenly and slowly.”

**Mexico**

* We accept the wording “uneven and slowly”
* Add: We reaffirm our commitment to strengthening the multilateral **trading** system […]
* Replace: […] and we commit to ~~work towards reducing fragmentation caused by international trade and investment agreements~~ **working towards building a greater coherence between regional trade agreements and the multilateral trading system**.
* Add: ratify **as soon as possible**

**Russia**

* Language in latter part on trade and investment agreements should be reframed in positive terms or take out all together
* Add: […] **strive to** implement the Bali package […]

**Switzerland**

* Strengthening the multilateral system is important. Therefore, we support these paragraphs. We would like to recall the importance of the call on members of the WTO to ratify the Trade Facilitation Agreement and implement the Bali Package with a special emphasis on the implementation of the decisions taken in favour of LDCs.

**Turkey**

* Delete: ~~unevenly~~ and slowly
* Support idea of expressing commitment to strengthen multilateral trading system
* Reformulate second part of sentence to emphasise that trade and investment agreements need to be in conformity with multilateral rules:: […] and we commit to ~~work towards reducing fragmentation caused by international trade and investment agreements~~ **ensure that the international trade and investment agreements are in conformity with the multilateral rules**.

1. 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.

**Groups:**

**G77 & China**

* Since the adoption of the Monterrey Consensus, developing countries have ~~dramatically increased~~ **improved** 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. W**e commit to further integrate small and medium enterprises from developing countries in the global value chain.**
* **75bis.** At the same time, LDC **and LLDC** 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~~ **can** boost~~ed~~ trade growth **at national level and must be fully recognized** ~~and must be further encouraged~~. **This should take into account the trans boundary and multi-national infrastructure** We will endeavour to signi­ficantly increase world trade in a manner consistent with sustainable development, in particular to the benefit of the LDCs.
* **75ter. Given the unique and particular vulnerabilities of SIDS, for example, small size, limited negotiating capacity and remoteness from markets, we recognize that efforts are needed to support their further integration regionally and between the regions and in world markets. With this in mind, we strongly support the efforts of small island developing states to encourage their successful engagement in trade and economic agreements, taking into consideration existing  special and differential treatment provisions, as appropriate, and taking note of the work conducted to date under the work programme on small economies of the WTO.**
* **75quat. We stress the need to remove obstacles to capital account management and regulations, including in trade and investments agreements.**
* **75quint. We recognize the needs and challenges of developing countries in regard to trade and calls for the implementation of the principle of special and differential treatment of developing countries, in particular LDCs, LLDCs, SIDS, Africa, countries in post-conflict situations, countries under foreign occupation and Middle Income Countries in trade. We are further concerned about trade barriers, such as coercive economic measures including unilateral sanctions that severly threaten the freedom of trade and investments. We are also concerned about unilateral trade actions, trade-distorting subsidies and other trade distorting measures, particularly in sectors of special export interests to developing countries, including in Agriculture.**
* **75sext. Duty free quota free access initiative could generate significant resources for financing the development as well as trade opportunities for LDCs. Both tariff and non tariff barriers are major challenges for developing countries and LDCs. The Istanbul Programme of Action has already set a target to doubling the LDC share of global exports by 2020. We would therefore like to call for the timely implementation of DFQF access on a lasting basis for all LDCs.**
* **75sept. We strongly support the efforts to develop and strengthen partnerships to enhance the participation of developing countries in the international trade in goods and services, build their productive capacities and address their supply side constraints. We also support strengthening their capacity to effectively participate in the multilateral trading system.**
* **75oct. We strongly support the efforts to develop and strengthen partnerships to enhance the participation of developing countries in the international trade in goods and services, build their productive capacities and address their supply side constraints. We also support strengthening their capacity to effectively participate in the multilateral trading system.**
* **75nin. We believe that trade in the context of appropriate policies and rules can be an important tool for economic development. Because of the continuing global financial and economic crisis, there has been a decline in trade growth, which has had a severe impact on many developing countries as the result of the fall in export revenues, trade barriers and trade-distorting subsidies in developed countries, and restricted access to trade finance and reduced investment in production diversification and in the promotion of exports and remains a matter of concern. It is essential to establish and uphold a universal, fair, rules-based, open, pro-development, non‑discriminatory, inclusive and equitable multilateral trading system that contributes to growth, sustainable development and employment, particularly for developing countries. (165 Santa Cruz)**
* **75dix. We call for a timely and successful conclusion to the Doha Round of multilateral trade negotiations, which must fully respect its development mandate and place the needs and priorities of developing countries at its centre. Following the WTO Ministerial Conference in Bali in 2013, we call for an inclusive and transparent negotiating process and the prioritizing of the interests and issues of developing countries in the post-Bali programme. We note that some developed countries members of WTO are more interested in gaining market access to developing countries, we urge them to take adequate measures to eliminate or reduce protectionism in their agriculture sector or to provide more market access to developing countries.**
* **75onz. We call for the International financial institutions, and the regional development banks, to actively support projects that accelerate sub-regional and regional integration in Africa, including by supporting intra‐African trade and enhancing Africa’s participation in the Global Supply Chain system.**

**EU**

* Paragraph 75 recognises that major changes have occurred in the world economy but fails to draw conclusions from the new paradigm. Today, most world trade already happens between developing countries; yet while many developing countries, notably emerging economies, have successfully realised the potential of trade to boost growth and lift hundreds of millions out of poverty, there is a growing gap with LDCs and other countries most in need. In the EU's view, in this new context, all developed countries, as well as emerging economies and upper middle-income countries, should offer duty-free and quota-free access to all LDC products. They should also prioritise LDCs in their Aid for Trade and provide it according to development effectiveness principles. This should be addressed through a revision of paragraphs 78 and 80.

**AOSIS**

* AOSIS supports G77’s proposed 75ter: In particular, the Alliance promotes the inclusion of a paragraph reaffirming SIDS as a special case for sustainable development. This is also consistent with para 8bis which acknowledges that SIDS are countries in special situations. The proposed language aims at being a nexus between WTO language and FfD language.
* AOSIS supports G77’s proposed 75quint: The Alliance particularly supports the inclusion of SIDS in relation to the trade and the principle of special and differential treatment (see SAMOA Pathway, para 107(a)).
* AOSIS supports G77’s proposed 75sext: This proposed paragraph, adapted from the SAMOA Pathway (para 107(b) and (d)), highlights the participation of developing countries in the international trade regime, which is currently lacking focused attention in this section.

**LLDCs**

* Add: […] development, in particular to the benefit of the LDCs **and LLDCs**.

**G77 Members:**

**Ethiopia**

* We are keen for the language on regional integration to be strengthened for example including language in line with the African position about “taking into account investment financing needs for trans-boundary and multi-national infrastructure systems.”

**India**

* Welcome expansion in SS trade, but not overemphasize,
* Delete reference to GVCs
* Add mention of the need of LDCs for productive capacity, policy space and assistance for boosting such capacity.
* We need to change “sustainable development” to “sustainable development goals”

**Mali**

* Need to mention progress on agriculture & subsidies in this para

**Other Member States:**

**Latvia**

* Strengthen reference to GVCs, particularly in regards to their sustainability and inclusion of SMEs

**Mexico**

* Since the adoption of the Monterrey Consensus, developing countries have ~~dramatically~~ **considerably** increased their share in world exports. South-South trade in particular has increased, partly due to ~~the~~ ~~development~~ ~~of~~ global value chains, ~~in which~~ **whereby** the **several** 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~~ **In contrast**, LDC participation in world trade ~~in~~ **of** goods and ~~commercial~~ services remains low and world trade ~~seems unable to return to the buoyant growth rates~~ **growth rates have not reached the ones 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.

1. 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 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.

**Groups:**

**G77 & China**

* **We take note of the recent development on negotiations of** ~~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 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 **any** trade **barriers,** 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 **as well as** **the reduction or removal of harmful fisheries subsidies that contribute to illegal, unreported, and unregulated fishing, overcapacity and harmful and destructive fishing practices and all 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.

**EU**

* The trade section repeatedly infringes on WTO prerogatives, which is not acceptable. In paragraph 76, the accession of LDC to WTO is based on accession guidelines which were revised only in 2012 and are being applied in the WTO context;

**AOSIS**

* AOSIS supports the G77 proposals for this paragraph.
* For many SIDS, fishing is a major source of income and livelihoods and a significant industry. Removing certain harmful fisheries subsidies, as per commitments made under the SAMOA Pathway (para 58(i)), is important to maintaining a sustainable fisheries sector.

**LLDCs**

* Add: […] in particular LDCs **and LLDCs** […]

**G77 Members:**

**Brazil**

* Do not use “failure”
* Refer to mandate of DDA which is agreed language: “calls for a balanced, ambitious, comprehensive and development-oriented outcome of the Doha Development Agenda multilateral trade negotiations, in keeping with the development mandate of the Doha Ministerial Declaration”
* Agriculture and fisheries market are at the center; need for elimination of all subsidies and distortive support measures

**China**

* Change: **We take note of recent developments in negotiations** ~~We remain deeply concerned at the failure to conclude~~ the Doha Development Agenda

**Ecuador**

* Add: […] concerns of developing countries**, and least developed countries,** at the heart […]
* Reference to agriculture and fisheries should be retained

**India**

* We agree with “failure to conclude”
* Call for balanced and pro-development outcome
* Need to make sure trade system is appropriate to development, which is “at the heart” as mentioned in the Doha Ministerial Declaration
* Separate agricultural and fisheries subsidies
* Include something on reducing trade-distorting domestic support in developed countries
* On accession, please add “on terms which are appropriate to their development needs and the objectives of these countries.”

**Other Member States:**

**Canada**

* Strongly supportive of this language

**Japan**

* Doha Development Agenda is ongoing process, and gathering momentum towards conclusion – “failure” not appropriate, should be deleted, instead: “we call on WTO members to redouble their efforts to conclude the DDA”
* Change second sentence “recommit to give due considerations to the interest and concerns of developing countries in these negotiations.” The main objective of the DDA is to maintain and strengthen multilateral trade system through the formulation of rules. The interests and concerns of developing countries will be duly considered in the pursuit of that objective but the placing it “at the heart” of the negotiations is not accurate as expression.
* Japan proposes deletion of references to agriculture and fisheries in the last sentence. The DDA covers negotiations on a wide range of sectors, not limited to these two sectors.

**Mexico**

* Add: **Accordingly, we urge the establishment by July 2015 of a clearly defined work programme mandated by the WTO Ministers in Bali.**
* Add: **and to roll-back protectionist measures that may have been implemented since the outbreak of the Great Recession**
* Delete: ~~to seek~~ to correct
* Add: […] elimination of all forms of agricultural **domestic support and** export subsidies […]

**New Zealand**

* Add: **and improving WTO disciplines on fisheries subsidies**
* Add: **to clarify and improve WTO disciplines on fisheries subsidies, taking into account the importance of this sector to developing countries**.

**Russia**

* Add: […] **relevant** disciplining all export measures […]

**Switzerland**

* We support this

**Turkey**

* Support language to place interest of developing countries at the heart
* Welcome combat against protectionism
* Support language on LDC accession

1. Members of the WTO reaffirm that the provisions of special and differential treatment (S&D) are an integral part of the WTO agreements. We look forward to initiation of the monitoring mechanism to review and analyse implementation of specific S&D provisions, as agreed in Bali, including consideration of challenges faced by developing countries in utilizing those provisions.

**Groups:**

**G77 & China**

* We support this

**EU**

* The trade section repeatedly infringes on WTO prerogatives, which is not acceptable. We can welcome the creation of the SDT monitoring mechanism, but do not mention its operation – this is a WTO issue

**Arab Group**

* Should refer to Doha work programme, S&D provisions

**LDCs**

* We recognizing that LDCs need eve more flexible treatment in undertaking their obligation – SDT

**LLDCs**

* Add a recommendation to adopt a special programme of work for the LLDCs at the WTO

**G77 Members:**

**India**

* Refer to Doha mandate and to mention “and strengthen” S&D provisions not just review

**Mali**

* Add references to desertification, illegal fishing and desalination of water

**Timor-Leste**

* We don’t want the wording to be watered down to weaken SDT for LDCs

1. We call for the full and effective implementation of decisions regarding duty-free quota-free market access, for products originating from the LDCs, consistent with the Hong Kong Ministerial Declaration adopted by the WTO in 2005 and the Bali decision in 2013 on duty-free quota-free access. We also will consider to further simplifying the rules of origin related to duty free quota free access. We support and will assist WTO members to take advantage of the flexibilities in the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs) to further the public interest in sectors of vital importance for sustainable development, including public health, in particular to provide access to affordable essential medicines and vaccines for all, and responses to climate change.

**Groups:**

**G77 & China**

* We call for the full and effective implementation of **the** decisions **on** ~~regarding~~ duty-free quota-free market access, for products originating from the LDCs, consistent with the Hong Kong Ministerial Declaration adopted by the WTO in 2005 and the Bali decision in 2013 ~~on duty-free quota-free access~~. We ~~also~~ will ~~consider to~~ further simplify~~ing~~ the rules of origin related to duty free quota free access **and as stated in the Istanbul Programme of Action, commit to a target of doubling the LDC share of global exports by 2020. We would therefore like to call for the timely implementation of DFQF access on a lasting basis for all LDCs**.
* **78bis.** We support and will assist WTO members to take **full** advantage of the flexibilities in the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs) to further the public interest in sectors of vital importance for sustainable development, including public health, in particular to provide access to affordable essential medicines and vaccines for all, and responses to climate change.
* **78ter. Noting the diversity of agricultural conditions and systems, we resolve to increase sustainable agricultural production and productivity globally, including by improving the functioning of markets and trading systems and strengthening international cooperation, particularly for developing countries, by increasing public and private investment in sustainable agriculture, land management and rural development. Key areas for investment and support include sustainable agricultural practices; rural infrastructure, storage capacities and related technologies; research and development on sustainable agricultural technologies; development of strong agricultural cooperatives and value chains; and the strengthening of urban-rural linkages. We also recognize the need to significantly reduce post-harvest and other food losses and waste throughout the food supply chain.**

**EU**

* The trade section repeatedly infringes on WTO prerogatives, which is not acceptable. The approach to TRIPS flexibilities is not correct. TRIPS flexibilities are used by developing members when they feel the need to. We don't understand what is meant by supporting the use of these flexibilities. Furthermore, the attempt to extend the scope of TRIPS flexibilities to climate change is not acceptable.

**AOSIS**

* AOSIS supports G77 proposed 78bis
* It is a priority for AOSIS to maintain references to climate change and the environmental dimension of sustainable development throughout the text, given their importance and relevance to SIDS’ financing needs.

**LDCs**

* We want DFQF for ALL produce from LDCs, Need stronger language on rules of origin – “Transparent and simple”, and fully eliminate tariff AND non-tariff barriers. Proposed new text is as follows:
* **We commit to realize the target set in the IPoA to double the LDCs share of global exports by 2020. We call for the full and effective implementation of decisions regarding duty-free quota-free market access, on a lasting basis, for all products originating from all the LDCs, consistent with the Hong Kong Ministerial Declaration adopted by the WTO in 2005 and the Bali decision in 2013 on duty-free quota-free access. We also will consider to further simplifying the rules of origin related to duty free quota free access. We will ensure that preferential rules of origin applicable to imports from LDCs are transparent and simple, and contribute to facilitating market access and addressing non-tariff and para-tariff barriers. We support and will assist WTO members to take advantage of the flexibilities in the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs) to further the public interest in sectors of vital importance for sustainable development, including public health, in particular to provide access to affordable essential medicines and vaccines for all, and responses to climate change.**
* Proposed additional para 78bis:
  + **We agree to undertake the following measures for LDCs**
    - **Fully realize the Bali Ministerial decision on “Operationalization of the Waiver Concerning Preferential Treatment to Services and Service Suppliers of LDCs”.**
    - **Undertake necessary measures to fully compensate erosion of preferences, loss of tariff revenue, loss of employment and various kinds of adjustments.**
    - **Operationalize the Bali Ministerial decision on “Monitoring Mechanism on Special and Differential Treatment”.**
    - **Ensure and operationalize improved format for reporting under Article 66.2 of the TRIPS Agreement.**
    - **Operationalize a binding mechanism to fast-track accession of LDCs, as per the agreed guidelines for LDCs accession to the WTO of December 2002 and July 2012**.

**G77 Members:**

**Brazil**

* Make reference to the need for members to take full advantage of the flexibilities on TRIPS
* Refer to ministerial declaration on public health by the WTO

**India**

* Retain TRIPS reference, support mention of TRIPS flexibilities for technologies for mitigation and adaptation

**Other Member States:**

**Australia**

* TRIPS language needs to be qualified, change: We support and will assist WTO members to take advantage of the flexibilities in the WTO agreement on TRIPS to further the public interest in sectors of vital importance for sustainable development**, including TRIPS flexibilities to address** public health **following from the WTO Declaration on TRIPS and Public Health**~~, in particular to provide access to affordable essential medicines and vaccines for all, and responses to climate change~~**.**
* We do not accept that balanced intellectual property (IP) settings impede climate change responses such that TRIPS flexibilities need be used. IP incentivises green technological development, much of which is in the public domain and the text should ensure that it uses appropriately couched language in this complex and nuanced area.

**Canada**

* We support the call for the full and effective implementation of decisions regarding DFQF access for products originating from LDCs, consistent with the HK Declaration

**Latvia**

* Call on all UMICs and emerging economies to offer DFQF for LDCs

**Japan**

* We have concerns on the latter half of this paragraph on the TRIPS flexibilities. The Doha Declaration on the TRIPS Agreement and public health acknowledges the use of TRIPS flexibilities to protect public health. There is no common understanding regarding the use of TRIPS flexibilities outside the public health sector, such as climate change. We will provide an alternative language.

**Mexico**

* Add: **To this end, we would urge all those WTO Members that have not yet accepted the amendment of the WTO TRIPS Agreement allowing to improve access to affordable medicines for developing countries to do so.**

**New Zealand**

* We do not accept wording which characterizes the use of SPS protection measures as non-tariff barriers to trade and/or which calls for an end to their use. SPS protection measures are not intended or used by New Zealand as a barrier to trade; they are required to ensure that the agricultural base of our economy can be maintained by preventing pests and diseases from entering New Zealand

**Russia**

* First sentence - make clear that this is up to WTO members: **We call on Members of the WTO to strive for the implementation of decisions**…

**Switzerland**

* While we recognize the importance to assist WTO members, in particular LDCs, to take advantage of the flexibilities in the WTO agreement on TRIPs, we would also like to recognize the positive contributions of the TRIPs agreement on public health. It provides an incentive system to invest into Research and Development for new medicines, which can lead to the availability of new products on the market. Therefore, we suggest making a small amendment in this regard, which will build on agreed language from GA resolution 68/9 on global health and foreign policy

**Turkey**

* Support references to DFQF for LDCs, and TRIPS flexibilities

1. We recognize the significant potential of regional economic integration to promote growth and sustainable development. We commit to strengthen regional cooperation and regional trade agreements, where relevant. We urge the international community to increase its support to projects that foster regional integration, and call on regional and multilateral development banks, in collaboration with other stakeholders, to address gaps in trade and transport related regional infrastructure.

**Groups:**

**G77 & China**

* We recognize the significant potential of regional economic integration to promote growth and sustainable development. We commit to strengthen regional cooperation and regional trade agreements, where relevant **that take into account specific regional circumstances interests and needs**. We urge the international community to increase its support to projects that foster regional integration, and call on regional and multilateral development banks, in collaboration with other stakeholders, to address gaps in trade and **trade related** transport related regional infrastructure, **including the possibility of direct support to regional economic communities, where appropriate,**

**EU**

* Add that bilateral and regional trade agreements compatible with WTO rules are key drivers of inclusive growth and sustainable development. They also play a key role in fostering developing country integration into global trade growth and global value chains.

**AOSIS**

* AOSIS supports the G77 proposals on this paragraph: Given that SIDS have different needs on both a regional and national basis, it is important commitments to regional cooperation reflects and is geared toward ground realities, interest, and needs.

**LLDCs**

* Add: […] gaps in trade, transport **and transit** related regional […]
* Add: **We resolve to urgently complete missing links connecting LLDCs within the regional networks.**

**Other Member States:**

**Canada**

* We support this paragraph as currently formulated
* We note that the Multilateral Development Banks are already highly involved in supporting trade and transport related regional infrastructure.

**Republic of Korea**

* Propose 79bis: **We recognize that trade is one of the important means of mobilizing resources and an engine for sustained economic growth and development. We acknowledge therefore the importance, especially for developing countries, of measures towards trade facilitation. We note in this context the need for modernizing and harmonizing international commercial law in order to achieve legal certainty, decrease commercial risks and transaction costs and build confidence in doing business domestically and across-borders, which should in turn stimulate commerce and the flow of investment and facilitate entrepreneurship.**

**Turkey**

* Incorporate regional references of 75 – again emphasise importance of multi-lateral system

1. Recognizing that international trade offers opportunities, but also requires complementary actions at the national level, we call on all countries to implement sound domestic policies and reforms conducive to realising the potential of trade for sustainable development. We call for an increase in Aid for Trade to developing countries, in particular to LDCs, and we welcome additional cooperation among developing countries to this end.

**Groups:**

**G77 & China**

* Recognizing that international trade offers opportunities, but also requires complementary actions at the national level, we call on all countries to implement sound domestic policies and reforms conducive to realising the potential of trade for sustainable development. We call for an increase in Aid for Trade to developing countries, in particular to LDCs **in support of the agreed target in IPoA to double their share of global export by 2020,** and we **also** welcome additional cooperation among developing countries to this end **as a complement, not a substitute for commitments from developed countries. We also emphasize the need for policy space to enable our countries to formulate development strategies that fully reflect national priorities, differentiate needs, level of development and national capacities that are not always taken into account by global economic governance structures policymaking and proceedings.**

**EU**

* All EMEs and UMICs should prioritise LDCs in AfT
* AfT should be provided according to development effectiveness principles
* Welcome the reference to national policies, but this should be more prominent, including reference to domestic enabling environment as the single most important factor in realising the potential of trade for inclusive growth and sustainable development.

**LDCs**

* Add: […] in particular to LDCs **by ensuring that 50% share of the aid for trade goes to LDCs for building their productive capacities, economic diversification, infrastructure development, value addition and high value retention**.

**LLDCs**

* Add: … in particular to LDCs, **LLDCs and SIDS** …”

**G77 Members:**

**Ecuador**

* MICs also require increase in participation in international trade, and need support for dealing with macro-shocks - graduating countries should not be punished

**Ethiopia**

* Include references to **provision of appropriate infrastructure for trade and an adequately trained workforce to effectively enable private investment**.

**India**

* Cooperation among developing countries ‘as a complement and not a substitute’

**Timor-Leste**

* Clarification on AfT – should not be seen as a reason to divert ODA – should be better defined or not included

**Thailand**

* Add: **To enhance the effective operation of Aid for Trade in the future, the focus needs to be placed on the assessment of its actual development effect, the sufficiency of funds in relation to developing countries’ need, and the determination of its direction and objective in the future. We also emphasize the need for policy space to enable our countries to formulate development strategies expressing national interests and differing needs which are not always taken into account by international economic policymaking in the process of integration with the global economy.**

**Sri Lanka**

* LDCs and other vulnerable countries should be given assistance to 80 develop effective anti-dumping policies ·for the sustainability of international trade.

**Other Member States:**

**Australia**

* We support AfT to assist developing countries to build the enabling environments to facilitate more effective trade flows, including support for infrastructure investment

**Canada**

* While Canada is very supportive of Aid for Trade, this is another example of the kind where the zero draft calls for increases of international assistance to specific sectors. Donors are faced with choices when managing limited budgets. Decisions with respect to where to focus these resources are best made at the country level, together with the partner government, through a well-developed system for donor coordination. As a result, we do not support calls for a blanket increase in donor spending in any given sector – even when it is one, like Aid for Trade, which aligns with our priorities

**Latvia**

* Give the highest prominence to enabling domestic economic policies
* Call on countries to design inclusive and gender-sensitive trade policies

1. 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.

**Groups:**

**G77 & China**

* We will carry out negotiation and implementation of trade and investment agreements **under balanced rules focused on the priorities of developing countries** in a transparent manner to ensure that trade and investment treaties do not constrain **their** **policy space and** 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**, respecting the policy space of developing countries. We request UNCTAD to continue its existing programme of meetings and consultation with member states to review investment agreement on ways to bring them in line with sustainable development objectives**.

**EU**

* Need to strike a better balance between right to regulation and investment protection

**G77 Members:**

**Brazil**

* Bracket in its entirety

**India**

* Add other objectives, including financial stability, food security, industrialization

**Saudi Arabia**

* Delete: ~~or ensure adequate tax revenues~~
* Delete: ~~especially by proper review of investor state dispute settlement (ISDS) clauses~~

**Timor-Leste**

* Welcome regulation of investment treaties, will provide language

**Other Member States:**

**Canada**

* We would suggest a change in the wording of this paragraph to replace “proper review” with “an ongoing review” to reduce the ambiguity attached to its meaning

**Mexico**

* Delete: ~~adequate~~ tax revenues

**New Zealand**

* Changes ensure the paragraph is balanced to reflect that these matters are already a priority for New Zealand, which is not conveyed by current language
* We will **continue to** carry out negotiation and implementation of trade and investment agreements in a transparent manner to ensure that trade and investment treaties ~~do not constrain~~ **deliver economic benefits while also ensuring that** domestic policies to reduce inequality, protect the environment or ensure adequate tax revenues **are not inappropriately constrained**. We will ~~strengthen~~ **continue to ensure** safeguards **are included** in investment treaties, ~~especially by proper review of~~ **including** 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

**Russia**

* Bracket or delete in its entirety

**Switzerland**

* Switzerland underlines the importance of transparency when negotiating and implementing trade and investment treaties, and to increase transparency in trade flows to ensure that they do not constrain domestic policies to reduce inequality, to protect the environment or to ensure adequate tax revenues.
* We further fully support the need to strengthen the safeguards in trade and investment treaties, to ensure that the right to regulate is retained in areas critical for sustainable development and therefore strongly support this paragraph

## E. Debt and Debt Sustainability

**Groups:**

**G77 & China**

* Title: go back to Monterrey and Doha “External Debt”

**EU**

* Sustainable debt financing, underpinned by effective debt management, must be at the centre of public debt strategies. It should ensure that no country is at high risk of, or in, debt distress. It should be informed by a respect of sustainable borrowing and lending practices. Sound macroeconomic policies are essential for debt financing to be conducive to economic growth and sustainable development.

**African Group**

* Need for significant commitments addressing debt cancellation and alleviation

**AOSIS**

* Debt sustainability is integral to achieve resilient societies and economies, to ensure that development gains are continued and assured. As many SIDS are highly indebted, with development in those countries debilitated as a result, a means to addressing these crises are imperative. Further, debt sustainability should be addressed systematically, especially to ensure smooth transition of those SIDS that have recently graduated from least developed country status.

**Arab Group**

* Need to recognize that certain efforts are done in the UN even if resolution was not adapted by consensus
* Work by Bretton Woods institutions does not address issue in its totality
* Issues of debt and effect of debt sustainability on developing countries to achieve internationally agreed goals, such as MDGs or SDGs at later stage needs to be highlighted and clarified
* Mention ongoing work by UNCTAD in this field, provide language on what has been done by UNCTAD

**CELAC**

* Need for commitment to sustainable debt financing and external debt relief

**PSIDS**

* Welcome attention to the special needs of SIDS within the outcome document, including in the context of vulnerability to debt crises

**G77 members:**

**Argentina**

* On debt sustainability: include reference to UN process

**Ethiopia**

* Debt financing and loans can clearly be an option for public spending on sustainable development outcomes.
* Any debt needs to be effectively managed to deal with debt servicing, and this brings us back to the importance of a stable macro-economic environment both domestically and internationally.
* We also propose a review by the IMF and World bank on debt sustainability restriction.

**Other Member States:**

**Australia**

* Providing developing countries with a suite of appropriately tailored debt finance instruments is essential for effective private sector engagement and economic and fiscal sustainability, therefore general support to text in this section

**France**

* Need to strengthen existing mechanisms, i.e. contractual approach and dialogue between lenders and borrowers
* Flexible approaches, as shown by the Paris Club, meet the different needs of a debt crisis, allow to address uncooperative behavior, e.g. from vulture funds
* Annual Paris Forum to the Presidency of the G20 to strengthen dialogue between creditors and sovereign borrowers and private sector, this initiative should be explicitly welcomed in the Draft
* Discussions from 2001 on supernational mechanism show that there is no consensus, not an acceptable path to follow

**Iceland**

* We must remain mindful of debt sustainability. Although debt financing can provide new avenues, lending must continue to be guided by the IMF/World Bank debt sustainability framework, to minimize the risk of renewed debt crises.

**Japan**

* Appreciate positive recognition of lending and borrowing as a tool of development financing, loans with comparative advantage over grants in fulfilling large and long-term investment needs, in particular in infrastructure
* Support emphasis for need of debt sustainability and sound debt management to prevent debt crises

**New Zealand**

* We consider that insufficient emphasis is put in this section on the particular debt challenges that SIDS face which are different to those of other developing countries.

**Russia**

* Support G77 that text should contain strong and unconditional support and welcome the decision in the GA to launch a process to establish a multilateral legal framework for sovereign debt restructuring

**United Kingdom**

* It is clear to us that debt financing will need to play a role in achieving sustainable development, and we welcome the zero draft's recognition of this.
* But we also think its important to consider the issue of debt sustainability. In that regard, we think its important to set out a specific aspiration in the text, which is that 'no country should be at high risk of - or in - debt distress'.
* What this means in practice is, first of all, providing capacity support to enable developing countries to effectively manage their debt in a sustainable way. This would, for example, enable developing countries to better assess the risks associated with different forms of debt finance, and to access more affordable debt finance from a range of different sources.
* Second, it means working with the IMF, the World Bank and other appropriate forums to improve principles and practice on responsible lending and borrowing.

**United States**

* Prudent debt management is essential to avoid over-borrowing and difficulties in meeting debt service payments, and we applaud the zero draft for its treatment of this concept. These policies may need to be supplemented with debt treatment, as appropriate, under existing mechanisms. The past 13 years have shown that a market-based approach can most effectively address debt treatment; the zero-draft’s call for new arrangements would be remiss in not acknowledging where we are today, and the existence of mechanisms and processes to address sovereign debt, in the form of the Paris Club, an improving network of contractual arrangements which are making restructurings more orderly and predictable, as well as ongoing efforts in other fora such as the IMF. For this reason, we do not support language in para 87 that proposes new international arrangements. We also recommend language encouraging emerging creditors to join creditor coordination efforts, including the Paris Club.
* In recent years, the international community has reaffirmed its strong support for the market-based contractual framework to sovereign debt restructuring. At the same time, recent events have also shown a need to refine the market-based approach. In response, new contractual frameworks and bond clauses have been introduced in careful consultation with sovereign creditors, sovereign borrowers, international financial institutions, and private market participants. The new clauses will go a long way towards resolving the issues that have recently come up. Several countries have already adopted the new clauses, with good market acceptance and no perceptible effect on pricing. As such, we recommend additional language in para 88 urging countries to make further efforts to incorporate these clauses.
* We underscore the importance of the IMF and World Bank Debt Sustainability Analysis (DSA) as a useful tool in informing policy and reducing the level and terms of appropriate borrowing. We would welcome the IMF and World Bank to continue their work with relevant stakeholders in strengthening their analytical tools for sovereign debt management. We note, however, our concerns with the prescriptive language in para 83 on strengthening the DSAs. We believe the details of any strengthening exercise is best left to technical experts in the IMF.
* We consider credit and debt as crucial development tools and believe we need to encourage objective consideration of their sustainable use to promote economic growth. For this reason, we are concerned that the UNCTAD Principles on Promoting Responsible Sovereign Lending and Borrowing, referenced in para. 85, fall short in representing the interests of all major stakeholders, particularly private creditors whose role has grown considerably as countries have diversified their financing. We also recommend an additional sentence in that same paragraph calling on sovereign lenders to respect the results of IMF-World Bank DSAs in making their lending decisions.
* Finally, we would welcome a more accurate assessment in para 82 of the number of countries in the midst of debt crises.
* Let me close by underscoring that sound macroeconomic and structural policies can help countries overcome many of their debt problems through increased economic growth. Good policies and good governance are essential elements to effective debt management and debt sustainability. Debt sustainability efforts have resulted in many successes over the past 13 years, and we should acknowledge this progress so that better debt management can strengthen the economic prospects and poverty reduction efforts which lie at the heart of the Post-2015 Development Agenda and the FfD framework.

82. 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.

**Groups:**

**G77 & China**

* Add**: 82pre. We commit to support traditional and innovative approaches to promote debt sustainability as an important mean to mobilizing resources, achieve sustainable development, including economic growth, poverty eradication, human rights, including the right to development and achieve greater equity. We acknowledge the importance of addressing debt sustainability to ensure the smooth transition of those countries that have graduated from LDC.**
* Add**: 82prebis. In Monterrey, we agreed that debt relief could release resources that can be directed towards activities that promote development, and called on donor countries to ensure that resources for debt relief do not result in the detraction nor the diminishing of ODA. In Doha in 2008 we pledged our commitment to work on an international mechanism for debt renegotiation. At the Conference on the World Financial and Economic Crisis in 2009, we reaffirmed the need to, inter alia explore improved approaches for sovereign debt restructuring.**
* 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 **not covered under these initiatives but** facing potential debt crises, **including through their continue eligibility for concessionary from international financial institutions.**
* Add**: 82bis. We underlined the need for extending the HIPC sunset clause so that countries in debt distress can afford the same opportunity and benefit**

**EU**

* We welcome the language on the importance of fulfilling previous commitments to support the world's most heavily-indebted poor countries. The international community must continue their support to the remaining HIPC-eligible pre-completion point countries to take the necessary actions to complete the HIPC process.

**AOSIS**

* AOSIS supports the addition of this G77 paragraph 82pre: We commit to support traditional and innovative approaches to promote debt sustainability as an important mean to mobilizing resources, achieve sustainable development, including economic growth, poverty eradication, human rights, including the right to development and achieve greater equity. **We acknowledge the importance of addressing debt sustainability to ensure the smooth transition of those countries that have graduated from LDC status.**
* Given that many SIDS are heavily indebted to the point where it affects their development, debt sustainability is a priority for AOSIS countries and the Alliance supports this G77 language.
* Additionally, as the debt sustainability for graduated countries is not reflected, AOSIS is proposing this language based on the SAMOA Pathway (para 29).
* Change: […] The international community must continue to support the remaining HIPC-eligible countries in completing the HIPC process, and assist other countries not covered under these initiatives but facing potential debt crises, **including through their continue eligibility for concessionary from international financial institutions.**
* AOSIS supports the G77 language proposals.
* The proposal on concessionary financing is based on the SAMOA Pathway (para 28). Given the way in which debt servicing limits the fiscal space of highly indebted small island developing States, AOSIS supports consideration of both traditional and innovative approaches to enhancing debt sustainability, including through concessionary financing options.

**LDCs**

* Include: 82pre. **We agree to consider the implementation of the full cancellation of multilateral and bilateral debt of LDCs and impose a moratorium on debts owed by LDCs or debt swap for SDGs, pending the full cancellation of their debts**.
* Add: **We underline the need for extending the HIPC sunset clause so that countries in debt distress can afford the same opportunity and benefit like other HIPC eligible countries.**

**Other Member States:**

**Canada**

* Scope to be more positive, since issue of HIPC received prominent attention in the Monterrey Consensus, stronger recognition of HIPC initiative and Multilateral Debt Relief Initiative would be appropriate
* Acknowledge expertise of IMF and World Bank in developing debt sustainability frameworks, strong support to ongoing work on debt sustainability assessment frameworks but refrain from directing IMF and World Bank how to alter these tools
* Reference to growth inducing effects of debt financing seem questionable

**New Zealand**

* The small size of their economies and their limited economic opportunities make it even more challenging for SIDS to resolve debt.
* Add: …**including a number of SIDS and some developed countries. We acknowledge that the debt sustainability challenges facing many SIDS requires a special and urgent solution.**

83. The monitoring and prudent management of liabilities is an important element of comprehensive 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.

**Groups:**

**G77 & China**

* The monitoring and prudent management of liabilities is an important element of comprehensive 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 UN system,** the World Bank, ~~and~~ the IMF **and UNCTAD** to continue to ~~improve~~ **further strengthen** 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 **the United Nations including** 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.’

**EU**

* We would want to see an explicit reference to the joint WB-IMF debt sustainability framework, set up to inform low income countries on borrowing and lending decisions. This could also come in paragraph 15.

**LDCs**

* Add: 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. **Debt sustainability frameworks should be revisited by incorporating the financing needs for realizing the SDGs into debt sustainability frameworks and assessments.** 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.
* Need better voice and representation of LDCs in the decision making organs of IFIs in order to balance the interests of creditors and borrowers in debt sustainability frameworks

**G77 members:**

**Ethiopia**

* We completely agree with the importance of strengthening IMF and World Bank tools for sovereign debt management, and would add to paragraph 83 that the growth-inducing effects of debt-financed public investment can *include infrastructure, energy and productive sector financing*.

**Other Member States:**

**Australia**

* Support link between debt finance and national sustainable development
* Incorporate language on the link between debt finance and budget/auditing processes
* Agree that DSA is a useful tool, but also needs to be complemented with language on how debts are acquired and the issue of debt quality, include language on importance of sound public financial management and competitive tendering processes
* Provide greater recognition of the role of MDBs in supporting countries in strengthening their public debt management and instruments

84. We welcome the continuing activities of the Task Force on Finance Statistics in setting methodological standards and promoting public availability of data on public and publicly guaranteed sovereign debt and on total external debt obligations of economies and the revised and more comprehensive quarterly publication of debt data. To further enhance its work, we invite the Task Force to consider creation of a central data registry, including information on debt restructurings.

**Groups:**

**G77 & China**

* We ~~welcome~~ **take note of** the continuing activities ~~of the Task Force on Finance Statistics~~ on setting methodological standards and promoting public availability of data on public and publicly guaranteed sovereign debt and on total external debt obligations of economies and the revised and more comprehensive quarterly publication of debt data. ~~To further enhance its work, we invite the Task Force to consider creation of a central data registry, including information on debt restructurings~~.’

**EU**

* We support initiatives to improve the timeliness, availability and transparency of data on borrowing and lending, to help relevant parties make well-informed borrowing and lending decisions, and allow citizens to hold governments to account for responsible use of public funds.

**Other Member States:**

**Mexico**

* Add: **To further enhance its work, we invite the Task Force to consider creation of a central data registry, including information on debt restructurings.**

85. 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.

**Groups:**

**G77 & China**

* 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.’

**EU**

* We would want to see a reference to the debt sustainability safeguards included in the 2014 OECD/DAC agreement on concessionality.

**Other Member States:**

**Canada**

* Concur with shared responsibility of creditors and debtors
* Support work of OECD Working Party
* Delete final sentence because there is no realistic prospect on finding global consensus on guidelines

**France**

* Add reference to new safeguards measures adopted at the High-level meeting of the committee on aid and development (OECD DAC), which mean that all donor states and creditors must respect the sustainability criteria for debt defined by the IMF and World Bank to ensure a loan is eligible as ODA, in addition to other conditions for the eligibility for loans which were strengthened for HIPCs and LDCs

**Mexico**

* Para ok

86. We affirm that in instances where governments face the need to restructure their repayment 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.

**Groups:**

**G77 & China**

* We affirm that in instances where governments face the need to restructure their repayment 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, **while tackling the effects of the so-called “vulture funds”.** In addition, the ability of countries to achieve sustainable development should be taken into account in debt restructurings, **[while recognizing the central role of governments in implementing the SDGs.**]

**Other Member States:**

**Canada**

* We are not convinced that helping governments and people reap the benefits of higher growth and sustainable development are in fact the agreed aims of debt restructuring
* Delete: ~~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.~~

**France**

* sovereign debt restructuring, if needed, has to be implemented quickly and in an effective way, concept of equality and equity in context of negotiations seems vague, refer to negotiations ‘in good faith’ between creditors and debtors
* debt restructuring must ensure future access of countries to financial markets

**Mexico**

* Mexico assigns great importance to structural strengthening international financial architecture. In particular, it highly values the role played by the IMF as a lender of last resort in the global financial system.
* Change: […] benefits of higher **sustainable** growth. **This will require the design of international arrangements (including the lending frameworks of international financial institutions) that minimizes both creditor and debtor moral hazard, and facilitates a fair and efficient restructuring. We welcome the ongoing work at the IMF in this regard.** ~~In addition, the ability of countries to achieve sustainable development should be taken into account in debt restructurings.~~

**Russia**

* Add: **We welcome the UN General Assembly resolution 68/304 on the establishment of a multilateral legal framework for sovereign debt restructuring processes and look forward to the successful outcome of the work of the ad-hoc committee, established by the UN General Assembly resolution 69/247, and commit to engage in subsequent consideration of this issue as appropriate.**

87. 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 the ongoing work at the IMF, UNCTAD and the UN in this area.

**Groups:**

**G77 & China**

* 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 **and timely** restructuring, that respects the principle of shared responsibility. ~~We~~ ~~welcome the recent work on the IMF’s lending framework and take note of the ongoing work at the IMF, UNCTAD and the UN in this area~~.**We recognize the work carried out by the International Monetary Fund, the United Nations Conference on Trade and Development, the Department of Economic and Social Affairs of the Secretariat and the Paris Club on sovereign debt restructuring. We recognize also the roles of the United Nations and the international financial institutions in accordance with their respective mandates, and encourage them to continue to support global efforts towards sustainable development and a durable solution to the problem of the debt of developing countries,’**

**EU**

* We agree that important improvements have been made since Monterrey in enhancing the processes for cooperative restructuring of sovereign obligations. But the text should respect the mandates of other international processes, and for instance not pre-empt the outcome of discussions at the IMF on debt resolution. The EU cannot accept references to UN discussions on sovereign debt restructuring mechanisms, in which we do not engage. We would instead want to see emphasis on the importance of strengthening the existing contractual approach to sovereign debt restructuring, building upon the work of the IMF on tackling collective action issues in sovereign debt restructuring, as well as the important role played by coordination fora such as the Paris Club.

**Other Member States:**

**Canada**

* Sentence that there is room for burden sharing between public and private sector is unclear, should therefore be deleted: ~~We recognize that there is room to improve the burden-sharing between public and private sectors and between debtors and creditors.~~

**Japan**

* Not comfortable with ‘a loose set of arrangements’, Paris Club and other arrangements have been achieving results
* Join EU in proposal to delete reference to the ongoing work at the UN in this area at end of paragraph if it refers to the establishment of a multilateral legal framework.

**Mexico**

* Mexico believes in collaborative solutions with investors when the resolution of sovereign debt is necessary.

88. We are especially concerned by the continuing ability of uncooperative minority bondholders to disrupt the will of the large majority of bondholders who accept a restructuring of a debt-crisis country’s obligations. In this regard, we welcome the reforms to pari passu and collective action clauses proposed by the International Capital Markets Association, and endorsed by the IMF, to reduce the vulnerability of sovereigns to holdout creditors. We applaud the legislative steps taken in Belgium and the United Kingdom to impede these activities and encourage other financial centre jurisdictions to similarly take action. We also welcome provision of financial support for legal assistance to low-income countries facing these challenges and agree to boost international support for advisory legal services. We agree as well to explore enhanced international monitoring of litigating creditors’ activities, strategies and incentives.

**Groups:**

**G77 & China**

* We are especially concerned by the continuing ability of uncooperative minority bondholders to disrupt the will of the large majority of bondholders who accept a restructuring of a debt-crisis country’s obligations. In this regard, we welcome the **process established by the UN General Assembly resolution 68/304 to elaborate and adopt a multilateral legal framework for sovereign debt restructuring processes with a view, inter alia, to increasing the efficiency, stability and predictability of the international financial system and achieving sustained, inclusive and equitable economic growth and sustainable development, in accordance with national circumstances and priorities. In this context, we support the recent adoption of the modalities for the intergovernmental negotiations as well as the** reforms to pari passu and collective action clauses proposed by the International Capital Markets Association, and endorsed by the IMF, to reduce the vulnerability of sovereigns to holdout creditors. We **welcome** ~~applaud~~ the legislative steps taken ~~in Belgium and the United Kingdom~~ to impede these activities and encourage other financial centre jurisdictions to similarly take action. We also welcome provision of financial support for legal assistance to low-income countries facing these challenges and agree to boost international support for advisory legal services. We agree as well to explore enhanced international monitoring of litigating creditors’ activities, strategies and incentives.’

**EU**

* The EU supports language on reducing the risk posed by uncooperative bondholders.

**G77 members:**

**Ethiopia**

* We are also supportive on the language regarding legal assistance when dealing with uncooperative minority bondholders regarding restructuring of a debt-crisis country’s obligations.

**Other Member States:**

**Canada**

* Supportive of wider use of collective action clauses, but unclear about proposal of enhanced monitoring of ‘litigating creditors’ activities, strategies and incentives’, therefore request deletion

**Mexico**

* Para ok

**Russia**

* Add reference to GA resolution 68/304
* Change: We ~~applaud the legislative steps taken in Belgium and the United Kingdom to impede these activities and~~ encourage ~~other~~ financial centre jurisdictions to ~~similarly~~ take action to impede these activities.

89. We note the increased issuance of sovereign bonds in domestic currency under national laws and the desirability that the relevant guiding national legislation reflect internationally agreed principles and best practice of effective, timely and fair resolution of sovereign debt crises.

**Groups:**

**G77 & China**

* ~~We note the increased issuance of sovereign bonds in domestic currency under national laws and the desirability that the relevant guiding national legislation reflect internationally agreed principles and best practice of effective, timely and fair resolution of sovereign debt crises.~~

**Other Member States:**

**Mexico**

* Para ok

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.

**Groups:**

**G77 & China**

* We appreciate that severe natural **disasters** 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 **strongly** 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~~.

**Other Member States:**

**France**

* No trouble with deletion of the French mechanism, but it consists in offering loans on good terms with countercyclical repayment options and can be modulated based on external variables which can be based on expert income of countries and could in the future be extended to other variables
* reference to countercyclical setups is important

**Mexico**

* Para ok

**Russia**

* Delete: ~~as in GDP-linked loans or other loans with a countercyclical repayment option that the French development agency currently offers to low-income countries.~~

## F. Systemic issues

**Groups:**

**G77 & China**

* FFD process should have at its core how the financial and economic system is going to contribute to sustainable development.
* Add systemic issues of full and decent employment.
* We will propose language for curbing commodity price volatility, and regulating derivative markets.
* Need enhanced financial and technical support to MICs, SIDS.

**EU**

* We note that this chapter focuses on international systemic issues. We can support this approach provided there is – as we have asked for in our opening statement – an additional chapter on enabling environment also covering the domestic dimension. If this was not the case, we would also want to introduce key elements related to the domestic enabling environment in this chapter.

**African Group**

* Incorporate all OWG issues in this chapter.
* Do not include text on domestic enabling environment here. That is for domestic resource mobilization section.

**G77 members:**

**Bangladesh**

* During the global financial crises of 2008, the whole world, especially the LDCs faced serious economic difficulties, not because of any domestic fault and exposed the helpless vulnerabilities of LDCs. The Addis accord needs to recognize these specific issues of external vulnerabilities of the LDCs and needs to have a paragraph or portion in an appropriate paragraph with provision of an in-built safety-net mechanism or a stimulus package especially for the LDCs in the event of any systemic disruption in the developed economies.

**Ethiopia**

* In order to effectively mobilize adequate financing for sustainable development, international systems and the global architecture must provide a suitable environment in which to do so.
* The financial crisis demonstrated that all countries are vulnerable to instability of the international financial system, and the work of the Financial Sustainability Board to help maintain stability and avoid or at least be ready for a future crisis is important in this regard.
* We would like the zero draft to call to the Financial Sustainability Board/ IMF/World Bank when decisions made dealing with such stability consideration should be made on the impact of these decisions on LDCs, and that this is balanced and ensures inclusion of LDCs in financial discussions.
* IFIs such as the World Bank, and specialised financing mechanisms are important sources of financing for sustainable development. We agree with the zero draft text that these organisations should continue improving their effectiveness and coherence, and focus on sustainable development objectives.
* It is vital though that the voice of LDCs on the boards of these institutions is heard. We welcome steps taken in this direction, but these promises now need to be fulfilled. We would suggest this section be strengthened to be clear about the voice of LDC in the text in paragraphs 94, 96 and 98.

**Other Member States:**

**Czech Republic**

* Recognise transparency as a systemic issue.

**Japan**

* Coherence among various international systems is crucial for realizing sustainable development. At the same time, we should respect the mandate of each institution to make our discussion in the UN relevant and meaningful.

**United States**

* We welcome the zero-draft’s acknowledgement of sustainability in reflecting on systemic issues; indeed, addressing environmental challenges, including natural disasters, will be critical for our sustainable development agenda.
* Fundamental to the systemic issues that we are discussing is a diversified, well-regulated, inclusive international financial system. We believe that an efficient market can help allocate finite resources to their best use, augmenting government efforts to meet society’s pressing development needs.
* We underscore an emphasis on inclusion throughout the zero draft, given the tremendous benefits that could be had by all from global growth if allowed full participation in the economy. As such, we would welcome the inclusion of language to strengthen para. 100 by including efforts to protect the rights of refugees, internally-displaced persons, and those who are stateless – in addition to enhancing international cooperation to prevent gender-based violence.
* Strong and comprehensive financial reform lays the foundation for a more stable, resilient financial system that will be less prone to panic and collapse. For financial reforms to be effective, the independence of regulators and central banks must be maintained, and language that compromises this independence should be removed such as the central bank swap line reference in para 93. We also have some concerns with respect to language in para 97, such as the suggestion that governments set private sector compensation practices and hope to offer some alternative language.
* We acknowledge that we must respect countries’ national priorities in establishing and implementing policies for poverty eradication and sustainable development, but underscore the need for each of us to meet our international commitments and recommend the deletion of the reference to "policy space" in para 96. In addition, we have noted the need to respect different autonomous bodies, such as the WTO and IFIs, with different mandates throughout the zero draft, and are concerned with the framing of language in para. 98 on this concept. We also believe the language on special drawing rights in para 95 strays too far into internal IMF issues.
* Co-Facilitators, country representatives, and colleagues, let me close by reiterating our support for the development of the FfD outcome document today, and the importance we attach to a stable financial system in which all can yield the benefits of sustainable development.

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.

**Groups:**

**G77 & China**

* We committed in Monterrey and Doha to build bridges **and enhance coherence and consistency of the international financial and monetary and trading systems in support of development** ~~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 **economic, social and** 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 **financial** architecture **with a more balanced representation** to improve global governance for sustainable development.

**EU**

* Implementation of the post-2015 development agenda will require effective and transparent national and international governance, stability-oriented policies and financial systems as well as strong economic and other cooperation amongst nations. We would like that section to include language stressing the intrinsic value of multilateralism.
* There is significant duplication in this chapter, which would justify considerable pruning. This concerns in particular para 91, 98, 101 and 102, which largely cover the same issue. We would like to get rid of the duplications, which make the text unnecessarily complex.
* Greater cooperation is needed between the UN, the Bretton Woods institutions, the G20, the Financial Stability Board (FSB) and the WTO, based on a clear understanding of, and respect of the respective mandates and governance structures of other international organisations. There must be an explicit reference to that in the text. This issue concerns para 91, 98, 101 and 102, which we have just identified as candidates for merging.
* Moreover, we miss some clear language on making the UN fit for purpose including by enhancing system-wide coherence, which is paradoxical when we are calling for coherence from others. This too should come early in the section and could be addressed in a new para.

**African Group**

* Coherent policy and programme coordination of international institutions at operational level.
* Strengthen UN role in this context.

**AOSIS**

* AOSIS supports G77’s proposals in this paragraph.
* While accepting G77’s amendments, the Alliance highlights the need to maintain the reference in the original draft to “natural disasters and climate change” as challenges requiring serious attention in the new FfD framework.

**G77 members:**

**Brazil**

* Strengthen this language to emphasize global governance.

**India**

* Need greater focus on urgency of ending poverty in this paragraph.

**Iran**

* 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 **of development**, 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.

**Saudi Arabia**

* Delete second sentence.

**Other Member States:**

**Mexico**

* Please add “and biodiversity” after “to take much more serious account of environmental”.
* Please add the sentence “in this context, we reaffirm the international community’s commitment to the protection and conservation of natural resources, biodiversity, ecosystems and the environment in general, and we invite all Parties to join the Thirteenth COP on Biological Diversity in 2016, which will be hosted by Mexico.”

**Turkey**

* Eliminate duplications in para 91 and 101.

92. The 2008 world financial and economic crisis underscored the need for sound regulation of 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.

**Groups:**

**G77 & China**

* The 2008 world financial and economic crisis underscored the need for sound regulation of financial markets, as well as the imperative of a global financial safety net**, to strengthen the financial, monetary and economic stability and reduce asymmetries**. 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 **and reiterate the need to avoid spill-over effects of global financial crises to developing countries**. 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. **We urge to ensure that IMF provides more comprehensive and flexible financial responses to the needs of developing countries, without imposing procyclical conditionalities and respecting their need for adequate policy space.** **We request the IFIs to support developing countries in developing new instruments for financial risk management and capacity building. We request that the application of the IMF’s resources to be made coherent and aligned with sustainable development goals.** Nonetheless, regulatory gaps and misaligned incentives **and policies in some major economy countries** continue to pose risks to financial stability, and suggest a need to **pursue** ~~consider~~ further reforms to the ~~global~~ **international financial and** monetary system.
* **92bis. We agree to establish special “crisis mitigation and resilience building funds” for LDCs and SIDS to build their national capacity to respond to various kinds of shocks including financial crisis, natural disasters, public health emergencies and to compensate various kinds of losses and damages, without compromising the on-going multilateral mechanisms and processes.**

**EU**

* Para 92 and 94: We welcome the recognition in the text of the efforts made by the Bretton Woods institutions and the G20 to design and implement reforms that will result in a governance structure that better reflects the realities of the world economy, including progress made to strengthen the voice of emerging economies and developing countries. We support the call for the timely implementation of these reforms.

**AOSIS**

* AOSIS supports G77’s insertion of this paragraph.
* AOSIS welcomes the proposal to establish a special fund for LDCs and SIDS on crisis mitigation and resilience building. SIDS’ susceptibility to short-term shocks, particularly natural disasters, are well documented and internationally recognized.
* The Alliance agrees that this fund is to be established on a voluntary basis, without prejudice to existing multilateral processes.

**LDCs**

* We want language on boosting technical assistance for preparing bankable projects at the end of the para: “We strongly urge to enhance the allocation of technical assistance and concessional lending to LDCs by the UN System organizations including the World Bank Group, the IMF and regional financial institutions for financing their bankable projects.
* Please add a para: 92 bis. We agree to establish a special “crisis mitigation and resilience building funds” for LDCs to build their national capacity to respond to various kinds of shocks including financial crisis, natural disasters, public health emergencies and to compensate various kinds of losses and damages, while taking into account the on-going mechanisms and processes.

**G77 members:**

**Bangladesh**

* Should recognize issue of external vulnerability of the LDCs.
* Refer to need for creation of an in-built safety net for LDCs.

**Brazil**

* Refer to counter-cyclical function of IFIs and the highlight the importance to ensure adequacy of their resources and governance.
* Introduce CRA reference here.

**India**

* Text needs to highlight surveillance of countries with disproportionately large impacts on financial systems.
* Highlight the need for greater capacity of IFIs to foresee crises.

**Iran**

* Highlight the need to align IMF resource usage with SDGs.

**Nepal**

* Take into account the potential risk to the LDCs and LLDCs from various sources, in particular volatility in remittances, which is the major source of national income for many poor nations.
* We therefore urge that a safety net be provided to safeguard against such conditions emanating from different volatilities in host countries.

**Saudi Arabia**

* Replace “major economy” with G20.

**Other Member States:**

**Canada**

* Modify or delete “regulatory gaps and misaligned incentives”.

**Japan**

* The term “reforms to the global monetary system” at the end of the paragraph should be replaced by “reforms towards resilient financial markets”, just to make sure we are not dealing with monetary policies.

**Mexico**

* Introduce reference to Basel III.
* Please add “Simultaneously, Basel 3 has reduced systemic risk in the banking sector by strengthening capital requirements of banks.”
* Add “National efforts to incorporate Basel 3 into national regulatory frameworks by 2019 would contribute to mitigating this ongoing source of systemic financial risk and would help harmonize national regulatory frameworks.”
* Add ‘“Alongside efforts to reduce systemic financial risk, there needs to be a renewed effort to increase financial inclusiveness and access to credit, as some risk-mitigating measures have made it harder for the poor to access financial markets.”
* Add “Stable international financial markets require sound macroeconomic and financial policies, underpinned by effective regulation and regulators that have the capacity to carry out their mandate. Strong financial institutions at the national and international levels are essential pillars of a well-functioning international financial system. We agree to pursue sound macroeconomic policies that contribute to global stability, equitable growth and sustainable development, while strengthening our financial systems and economic institutions.”

**New Zealand**

* Include the significant counter-cyclical role that the regional MDBs play, working with and supplementing the efforts of the World Bank.

93. 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.

**Groups:**

**G77 & China**

* The ~~major economy countries among us~~ **international community** commit**s** to continue to strengthen international coordination of **their** macroeconomic policies for greater global financial stability **preventing financial crisis,** and **promote** sustainable development, acknowledging that national policy decisions can have systemic and far-ranging effects well beyond national borders**, particularly in developing countries and call on developed countries to increase their efforts to formulate policies consistent with the objective of economic growth poverty eradication and sustainable development of developing countries**. ~~In this regard, we welcome frameworks for swap lines among central banks of qualified countries supported by multilateral institutions~~.

**G77 members:**

**Iran**

* Conclude top sentence with “national borders, particularly for developing countries”.

**Other Member States:**

**Canada**

* Delete second sentence on swap lines.

**Russia**

* Replace “The major economy countries among us commit” with “We reaffirm the need”

**United States**

* Delete second sentence on swap lines.

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.

**Groups:**

**G77 & China**

* At the same time, we recognize the importance of strengthening the **governance of international financial institutions.** ~~permanent international financial safety net~~. ~~The implementation of the 2010 reforms remains the highest priority for~~ The **reform of the** IMF**, including its 2010 quota and governance reform** **remains a high priority** and we strongly urge the ~~earliest~~  **immediate** ratification of the~~se~~ reforms **and we reiterate our commitment to reach an agreement on the reform of the quota formula and the review of quotas.** ~~We~~~~remain committed to maintaining a strong and quota-based IMF~~ , that **reflects the real participation of developing countries in the global economy** with **an increased participation of developing countries and with** adequate resources to fulfill its systemic responsibilities.

**EU**

* We support call for timely implementation of IMF reform.

**Arab Group**

* The need to implement 2010 IMF reform must be highlighted

**LDCs**

* We want a crisis mitigation and resilience fund for LDCs.

**G77 members:**

**Brazil**

* Should use language such as “agree, commit, ratify” like in the section on domestic finance.

**India**

* In first sentence, add “strengthen representation at IFI”.
* “Permanent international safety net” is not defined.

**Other Member States:**

**Canada**

* IMF governing bodies are the appropriate forums for this discussion.

**Mexico**

* We support this para.

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.

**Groups:**

**G77 & China**

* We **agree to strengthen the role of the** ~~invite the IMF to consider regular periodic allocations of~~ special drawing rights (SDRs) **in the international monetary system,** **including through necessary reforms to their functionality and allocation, and have the IMF to periodically consider meaningful and regular periodic allocations of special drawing rights (SDRs) with a development dimension as well as** to supplement IMF member countries’ foreign reserves and to better support developing countries, ~~including~~ **in particular** 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.

**EU**

* We cannot accept text on regular periodic allocations of Special Drawing Rights (SDRs). These would have to be based on a long-term global need to supplement existing reserve assets as per the IMF Articles of Agreements. Such systematic issuance is therefore not possible. There are also considerations of substance against such proposals, including the fact that they could encourage countries to delay necessary economic adjustment.

**G77 members:**

**India**

* We support reforming the modalities for the allocation of SDRs to poorer countries.

**Other Member States:**

**Canada**

* IMF governing bodies are the appropriate forums for discussion of SDR.
* Must preserve IMF safeguards, decision making, and preferred creditor status.

**Japan**

* The first sentence inviting IMF to consider regular periodic allocation of SDR should be deleted. According to the Articles of Agreements of the IMF, SDR is an international reserve asset to be allocated for the purpose of crisis prevention and resolution and not for the purpose of development.

**Mexico**

* Mexico supports reviewing this under the Articles of Agreement of the IMF.

96. 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 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.

**Groups:**

**G77 & China**

* ~~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~~ **We stress the need to remove obstacles to** capital account **management** 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 **excessive** volatility of commodity prices, including food **and agriculture commodity** prices. We call **for the adoption of measures that ensure the proper functioning of food commodity markets and their derivative and for** ~~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 **note** ~~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, **particularly in under regulated markets and institutions**, including reducing the systemic risks of  **over the counter derivative markets,** shadow banking, **including securities lending** i~~ncluding markets for derivatives~~ and repurchase agreements, ending the risk of “too-big-to-fail” financial 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.

**EU**

* Para 96: Language on "policy space" needs to be reviewed. A careful balance must be found between the need for each country to determine its sustainable development pathway, with the need to ensure policy coherence domestically and internationally in support of the globally agreed post-2015 agenda.
* We concur with the need to see the important issue of food price volatility addressed in the document.

**African Group**

* Special challenges from volatility in food and energy prices should be addressed. We can use Doha’s language. We would like more detailed language on this.
* Energy volatility impacts on countries in special situations should be mentioned.
* Introduce something on the need for “Cooperation in developing energy systems that mitigate climate change while respecting CBDR”
* Highlight that IFIs must respect national plans.
* Text must address exchange rate volatility.

**G77 members:**

**India**

* We must keep this para. We support first sentence on respecting policy space. Policy space is important in international economic commitments – can add “de facto and de jure” respect for policy space.

**Other Member States:**

**Japan**

* We propose the deletion of “capital account and” from the 3rd line. In the IMF, capital flow management is considered appropriate only in limited cases where certain conditions are met.
* On the 10th line, “repurchase agreements” should be replaced by “securities financing transactions”. Discussions under the FSB covers not only “repurchase agreement”’ but broader “securities financing transaction”, including stock lending and margin lending.
* On the last line, we propose deleting “and” and adding “such as” just before “countercyclical buffers”. In our understanding, “countercyclical buffers” is one example of “macro-prudential policy”.

**Mexico**

* After the first sentence, please add “However, this does not entail that countries should not comply with their internationally acquired obligations and the relevance of the corresponding international regimes.”
* After the fourth sentence, add “Flexible exchange rate regimes are one demonstrated means of reducing international price distortions and risk”.
* Please add reference to tax havens and banking secrecy. Before the last sentence, add “The existence of tax-havens increases systemic risk and reduces the ability for financial market reform and regulation. We acknowledge this and will continue to consider how these constraints can be overcome.”

**Russia**

* Delete (FSB).

97. 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 countries to incentivize greater long-term investment.

**Groups:**

**G77 & China**

* We ~~acknowledge that we have not solved how to reduce~~ **stress the need to limit** financial regulatory reliance on credit rating agency ~~assessments or promote alternatives to the “issuer-pays” model of credit ratings. We invite~~ **and undertake to** increase~~d~~ competition in the provision of credit ratings, including by establishment of public agencies, where appropriate. **We agree on building greater transparency to evaluation standards of credit rating agencies and to introduce measures to avoid conflicts of interest.** We will also continue to explore reform of compensation practices in our countries to incentivize greater long-term investment.

**EU**

* We would want to see more caution around the text on Credit Rating Agencies. Important regulatory changes have been implemented by the EU and others since Monterrey/Doha. The option of creating public CRAs remains, however, quite theoretical at this stage and has its own important risks.

**LDCs**

* This para talks about raising competition but lacks concrete proposals. We would like to resubmit a proposal of the establishment of an intergovernmental mechanism under the auspices of the General Assembly to develop a global methodology and a standardized approach with a set of universally approved criteria for undertaking the ratings: “We decide to establish an intergovernmental mechanism under the auspices of the General Assembly to develop a global methodology and a standardized approach with a set of universally approved criteria for undertaking the country ratings by the Credit Rating Agencies.”

**G77 members:**

**Iran**

* Add “greater transparency, remove conflict of interests”

**Saudi Arabia**

* Replace last sentence with: “We will also continue to explore reform of practices concerning compensation practices of financial executives.”

**Other Member States:**

**Japan**

* Japan wishes to acknowledge in this paragraph the work of the FSB related to reducing reliance on Credit Rating Agency (CRA) and CRA regulation and encourage them to do more. Japan therefore proposes the first sentence to read: “We acknowledge FSB’s effort to reduce financial regulatory reliance on credit rating agency assessments and promote alternatives to the “issuer-pays” model of credit ratings, but further work in this area is needed.”

**Russia**

* Replace “invite” with “call for”.

98. 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.

**Groups:**

**G77 & China**

* 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~~ **call upon** all relevant international institutions to recognize the group of LDCs**, MICs and the special case of SIDS in sustainable development**, to fully reflect the importance of fragility and structural constraints in achieving the SDGs **by providing enhance financial and technical support**.
* **98bis. We commit to pay due consideration to the right to work and achieve full and productive employment and decent work for all, in particular in developing countries, in this regard we resolve to create an international enabling environment that is conducive to the attainment of full and productive employment and decent work for all as a foundation for achieving the three pillars of sustainable development in a balanced manner.**

**African Group**

* After line 8, delete half sentence from “including through assessments of their impact on the enjoyment of human rights…”

**AOSIS**

* The Alliance supports this language.
* The MDGs as well as the Mauritius Strategy for Implementation, Barbados Programme of Action and SAMOA Pathway have all recognized the special case of SIDS with regards to the need for international institutions to work toward achieving SIDS’ self-reliance, and supporting national policies that help SIDS to fulfil their commitments under these agreements.
* Please refer to special situation of SIDS.

**LDCs**

* Change “invite” the international institution to “call upon” them
* Add at the end “by providing significantly scaled-up financial and technical assistance to LDCs”

**G77 members:**

**Bangladesh**

* Universal recognition of LDCs needed by all international institutions. This should come with enhanced financial and tech support.
* Please add “as well as all development partners” in the last sentence.

**Brazil**

* Policy space is essential.
* Should refer clearly to SDGs.
* ESG targets are not defined. Instead, text should refer to the international agreements, SDGs or “sustainability reporting” as in Rio. (cf OP15, OP40)

**India**

* Coherence checks should not lead to green protectionism or non-tariffs barriers.

**Iran**

* Supplement para with new sentence “We undertake to establish a global coherence and oversight system within the UN system. “

**Saudi Arabia**

* Clarify half sentence from “including through assessments of their impact on the enjoyment of human rights…”

**Other Member States:**

**Canada**

* Add reference to children’s rights to highlight the need eliminate child labor.

**Mexico**

* Welcome this para but would like to see technology transfer and middle-income countries mentioned here.
* Mention technology transfer in the first sentence, after “intellectual property rights”.
* Add last sentence “Finally, we also invite these institutions to recognize the ongoing development challenges faced by middle-income and “graduating” countries, which often face damaging “fiscal cliffs” when all development cooperation is withdrawn simultaneously upon economic graduation. Graduation policies should subsequently be sequenced, phased and gradual to avoid reversing development achievements.”

**New Zealand**

* Include specific reference to the vulnerabilities that SIDS face and to take into account the rights of persons with disabilities.

**Norway**

* Refer to UN Guiding principles on Business and Human Rights.

99. 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 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.

**Groups:**

**G77 & China**

* ~~We recommit to broadening and strengthening the participation of developing and transition economy countries in international economic decision-making and norm setting~~. **We re-commit to push for redress of the democratic deficit in global economic governance and provide developing countries in a timely manner their rightful place and participation by strengthening their voice in the governance and decision-making of all the institutions and forums where discussions and decisions are taken on global economic and financial issue**. 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 of the FSB and recommend consideration by the FSB, **we call upon** the Basel Committee on Banking Supervision and the other main international regulatory standard setting bodies to **continue efforts to** increase the voice**,** ~~and~~ participation **and influence in norm settings processes and the decision making power** of developing countries, including in all of their subsidiary committees**, in order to ensure that their concerns and particular conditions are taken into consideration**. As the shareholders in the main international financial institutions, we commit to open and transparent, gender-balanced and merit-based selection of their heads **in line with the principle of balanced geographical representation**.

**African Group**

* We want to have commitment to “enhance the managerial diversity of the IFIs” .
* We want enhanced access of African countries to the IMF’s concessional resources .

**AOSIS**

* AOSIS supports these proposals from G77 & China.
* The language on “norm-setting processes” is adapted from the SAMOA Pathway (para 117(b)).
* Participation and representation of developing countries in IFIs is important

**LDCs**

* We want significant redistribution of voting power as the overarching objective, which empowers developing countries as a group. As a second sentence add: “We decide to ensure significant redistribution of voting power in favor of the developing countries, in particular LDCs, and the redistribution would not be an exercise which satisfies some developing countries at the expenses of others in the same group.”
* FSB and Basel Committee need better representation of LDCs, so add “in particular LDCs,” in front of ‘including in all of their subsidiary committees’.

**G77 members:**

**Brazil**

* Please add “geographic representation” on leadership selection.
* “Overcome obstacles” language is too feeble in the context of governance reform.

**India**

* Need to do more than recommit.
* Need more geographical representation in “international standard setting bodies”.
* Use agreed language on leadership selection from 2009 UN world crisis conference.

**Other Member States:**

**Japan**

* Japan proposes a factual correction on the 3rd sentence in the 3rd line, which should read: “We welcome the **increased representation of emerging economy** on the FSB…” FSB increased the seats for emerging economies and decreased the same number of seats for international organizations and maintained the total number of seats. Since the FSB has already taken the reform measure, the reference to FSB should be deleted after “recommend consideration by …” in the 4th line.

**Turkey**

* Increase voice of developing countries at the board and management of IFIs. This is a sustainable development issue. Should clearly reference MDBs.
* Emphasize need to implement internal reforms to address these issues.

100. 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.

**Groups:**

**G77 & China**

* **We recognize the positive contribution of migrants in the development of origin, transit and destination countries as well as the key role of human mobility for sustainable development. We will make efforts to enable the orderly, safe and regular migration, including through the implementation of plans and well managed policies, while promoting and protecting effectively all human rights, in accordance with national laws, regulations and policies.** ~~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.~~

**EU**

* We welcome language recognizing the positive contribution that well-managed migration and mobility can play for inclusive growth and sustainable development, including through remittances. At the same time, we need to effectively tackle irregular forms of migration. This requires both legal and irregular migration to be addressed in partnership among countries of origin, transit and destination. In order to maximize the sustainable development benefits of legal migration, we should endeavor to: (1) increase cooperation on access to, and portability of, earned benefits; (2) enhance the recognition and validation of foreign qualifications, education and skills; (3) lower the costs of recruitment for migrants, and combat unscrupulous recruiters; (4) protect migrants’ human rights through national frameworks.

**G77 members:**

**Brazil**

* Further strengthen language on rights of migrant workers.
* Must have a human rights approach, cf OP 44

**India**

* Need to reference international mobility of capital in comparison to labour

**Nepal**

* Please to include additional commitment in the zero draft that effort will be made to ensure for decent work conditions for the migrant workers.
* We also invite the host countries to make efforts to provide a full-fledged insurance in the case of any vulnerability and accidents. A more safe and orderly working conditions will help for achieving sustainable development in both host country as well as the home country.

**Somalia**

* Please separate text on migration and terrorism. We would welcome language here on remittances, skills, integration, and protection of migrants’ rights.
* Please add new para on trafficking and terrorism – see language from G-77

**Other Member States:**

**Canada**

* Trafficking should be all persons, not just children
* Convention on crime should also reference protocols

**Mexico**

* Propose 100 ALT: “We recognize that international migration is a multidimensional phenomenon that must be addressed in a comprehensive and balanced manner, considering the causes and effects, and the respect of human rights of migrants and their families, in order to attain its full potential in terms of development, while emphasizing the valuable contribution of migrants to sustainable development in countries of origin, transit and destination. In that regard, it is important to implement policies to facilitate access to essential social services, such as health and education, as well as to guarantee access to justice, and the enforcement labour benefits and rights in countries of destination in compliance with the ILO’s fundamental conventions. Likewise it is urgent to implement effective social communication strategies on the contributions of migrants to sustainable development in all its dimensions, in order to prevent and eliminate discrimination and xenophobia, facilitate the social integration of migrants and reach the full potential of migration as a contributor to sustainable development. Migration policies should also consider the particular needs of vulnerable and displaced people within migratory flows, such as women and children, in order to ensure the respect of their human rights, their integrity and dignity.”

**New Zealand**

* It is important to note that there are a number of categories of people at risk. Please add women and children in reference to trafficking.

101. We resolve to strengthen the coherence and consistency of multilateral financial, investment, trade, and development policy and environment institutions and platforms, and increase cooperation of the major international institutions, while respecting mandates and governance structures. In support of this aim, we commit to take better advantage of United Nations forums for promoting universal and holistic coherence and international commitments to sustainable development, building on the vision of the Monterrey Consensus.

**Groups:**

**G77 & China**

* **Building on the vision of the Monterrey Consensus,** we resolve to strengthen the coherence and consistency of multilateral financial, investment, trade, and development policy and environment institutions and platforms, and increase cooperation of the major international institutions, while respecting mandates and governance structures. In support of this aim, we committo take better advantage of **relevant** United Nations forums for promoting universal and holistic coherence and international commitments to sustainable development, ~~building on the vision of the Monterrey Consensus~~.

102. Achieving sustainable development for all, including the SDGs, will require coordinated and sustained action, at the local, national, regional and international level. For this purpose, we commit to a revitalized and strengthened global partnership for sustainable development. This global partnership embodies our collective commitment to mobilize the financial and technological resources needed and to direct them toward our common goals. We will further strive for coherence of our economic, environmental and social agreements and policies, which are negotiated in separate forums and implemented through different institutions. We will continue to build bridges between sustainable development, finance and trade organizations and initiatives, within the framework of the holistic agenda of this Accord. We will work in partnership with all stakeholders, recognizing their different responsibilities and capabilities, and we commit to monitoring and reviewing our progress in implementation in an adequate, transparent, evidence-based and participatory manner, to ensure mutual accountability.

**Groups:**

**G77 & China**

* Achieving sustainable development for all, including the SDGs, will require coordinated and sustained action, at the local, national, regional and international level. For this purpose, we commit to a revitalized and strengthened global partnership for sustainable development **between developed and developing countries**. This global partnership embodies our ~~collective~~ commitment **in which developed countries take the lead** to mobilize the financial and technological resources needed and to direct them toward our common goals **and specially towards developing countries**. **This partnership should be based on the principle of common but differentiated responsibilities.** We will further strive for coherence of our economic, environmental and social agreements and policies, which are negotiated in separate forums and implemented through different institutions. We will continue to build bridges between sustainable development, finance and trade organizations and initiatives, within the framework of the holistic agenda of this Accord. ~~We will work in partnership with all stakeholders, recognizing their different responsibilities and capabilities~~, ~~and~~ we commit to monitoring and reviewing our progress in implementation in an adequate, transparent, evidence-based and participatory manner, ~~to ensure mutual accountability~~.**.**
* **102 bis: 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.**

**G77 members:**

**India**

* Delete “mutual accountability”.

## G. Technology, innovation and capacity building

**Groups:**

**G77 & China**

* Can be flexible on the expansion of the Monterrey structure; technology, innovation and capacity building are important for developing countries
* Mandate in the post-2015 development agenda to discuss the issues of the technology facilitation mechanism, how can this be discussed in the FfD context without prejudging?
* Text on capacity building a bit thin, will propose more text, can build on Monterrey Consensus and Doha Declaration
* Para 12 is proposing the issue of the technology facilitation mechanism to promote the transfer and dissemination of clean and environmentally sound technology, needs further discussion to make sure it is in line with the post-2015 development agenda

**EU**

* Science, technology and innovation are important drivers for the implementation of the post-2015 agenda; they can support both the implementation and the monitoring of the Sustainable Development Goals. Inter alia, science, technology and innovation can help citizens escape poverty, promote economic growth, generate new quality employment opportunities, optimise complex systems and value chains, promote sustainable consumption and production patterns, reduce our vulnerability to disasters and other shocks and promote the protection of natural resources and the efficient use of scarce resources. It is therefore important that all countries exploit the potential offered by science, technology and innovation for sustainable development. The private sector has a key role to play as well.

**African Group**

* Add science to the title,
* For Africa this chapter is particularly important, with many areas needing technology
* We emphasized on science because we need investments in this area
* We must improve the linkages between multinational companies and the domestic financial sector, especially regarding the transfer of technology, as this contributes to the stransfers of skills. Foreign investors need to integrate local business in their value chains through training, education and employment opportunities
* Private sector does not make initial investments to build technology from scratch, we call for the establishment of an innovation fund to support enterprises at the early stages of the technology and commercialization stage of technology
* We see the merit to invest in human capacity developing, with a focus on secondary and higher education levels, with the aim to popularizing STI and ICT, including in terms of research
* We underline the critical importance of establishing the technology transfer facilitation mechanism.
* We want to see the reference to the transfer of appropriate technologies to African countries to build new industries at the national and local level, in particular on renewable energy.
* We want to create UN agencies, funds and programs with special mandate on technology to further promote technology transfer and capacity building.

**AOSIS**

* This chapter is among the highest priorities for SIDS, which are acutely affected by the lack access to technology, as recognized by numerous UN documents. Paras 103, 108, and 113 should reflect this reality.
* We reiterate the point on the lack of emphasis on capacity building, which is essential to our collective progression. As collaboration is scaled up capacity building in SIDS must remain a priority if the many initiatives on innovation and technology are to have a hope of success and make development sustainable. We want more balance in this section in regards to capacity building the special needs of SIDS in this regard.
* SIDS highly value reliable access to sustainable energy for all as a requirement for sustainable development. Thus we value technology transfer in this regard.
* Capacity building in developing countries including SIDS is central to the success of the FfD framework. Sustainable development policies can only be adequately implemented through building and retaining human and institutional capacities, as well as through ensuring access to appropriate, reliable, affordable and modern technology. In many SIDS, access to financing for development is severely limited by capacity constraints, especially in discussions on innovate financing models.

**Arab Group**

* Welcome mention of online platform, comes from structured dialogue and included in SG Synthesis Report, need to address the initiation of the technology facilitation mechanism, resolution 69/214 agreed that the details will be dealt with within post-2015 process
* In Monterrey and Doha, technology was recognized as technology transfer, which is missing in this chapter
* Capacity building is a main challenge for number of different countries, including middle income countries, what we are addressing here is in regards to technology, data collection and tax management

**CELAC**

* Transfer of technology and capacity building important means of implementation

**LDCs**

* We stress that productive capacity-building is a development multiplier and that the renewed and strengthened partnerships should give priority to this issue in the next decade and a hall, in a coherent manner. In this regard, we underscore that reliable and affordable infrastructure services, access to affordable energy including renewable energy, and modem technologies as well as institutional capacity, are critically important for building viable productive capacity in LDCs.
* Capacity development for productive sectors that will enable value addition and ensure that skilled young people do not migrate
* Capacity for national resource-based industrialization is very important
* LDCs would need additional, preferential, concessional and most favorable treatment for their access to technologies

**G77 members:**

**Brazil**

* Need to build confidence on this issue since it is a major driver of transformation
* Need to consolidate a common understanding on complementarity of post-2015 and FfD with regards to the establishment of a UN technology transfer facilitation mechanism
* Address issues of capacity building in the framework of Monterrey and Doha
* Support broader view of technology, including reference to ICTs and science at large
* Adapt technologies to local circumstances, therefore capacity building and the technology transfer facilitation mechanism are essential components of the debate at the UN
* The technology transfer facilitation mechanism could be anticipated in the Addis Ababa outcome without prejudicing the systemic issues, e.g. it should address technology transfer in a holistic fashion while also provide an assessment of technology needs and gaps in addressing those needs, details about institutional setup to be fleshed out in the negotiations of the post-2015 development agenda in accordance with GA mandates
* Adopt a more systemic approach to capacity building and technology in the FfD track
* Take note of the UN contribution to technology cooperation and agree on the need to scale up this contribution
* Welcome the establishment of a technology transfer facilitation mechanism under the auspices of the UN to support the SDGs

**Ecuador**

* Add ‘science’ to the title
* Fundamental to provide ODA to middle income countries to provide technical assistance to strengthen local capacity on science and innovation

**Ethiopia**

* Ethiopia fully supportive of this section to be a chapter by its own.
* Ethiopia sees this section as very comprehensive, and is largely supportive of the text. Technology transfer and research and development can help improve productivity of agriculture and agro-processing, improve ICT, help with more sustainable means of construction and infrastructure, enhance industrialisation opportunities, upskill workers and manpower, and help the domestic private sector to grow, by helping developing countries move up value chains with products more suitable for a competitive international market.
* The section could be strengthened by incorporating language that highlights technology should be aimed at specific goals such as sustainable infrastructure, agriculture, clean energy.
* 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. It is also important to concentrate our efforts on developing technological capacities by enhancing utilization of ICT in key social and economic sectors.

**India**

* Perhaps the most underwhelming portion of the Zero Draft not least because the discussions on this issue as mandated by General Assembly are yet to be held. The proposed intention of this distinct chapter in the Addis Ababa outcome cannot be to lower the ambition on this issue and we expect a substantial enhancement of ambition of the outcome on this issue.
* Support section but much needs to be done, objective cannot be to lower the ambition, section will be judged on the merit from the extend it can enhance the understanding of the issue and can lead to concrete outcomes, need to urgently move from generalities to specifities
* Agree with adding science to the title
* Focus on international cooperation on the transfer of technology
* Concrete proposal for technology facilitation mechanism, GA mandate in the context of post-2015 agenda

**Indonesia**

* Science and technology can be game change to the socio-economic situation of countries
* Development of STI capacities an important prerequisite to socio-economic transformation to sustainable economic growth, human development and poverty eradication
* Developing countries rely heavily on technology in order to shift on a sustainable development path
* Imperative to bridge technology divide to promote sustainable development and inclusive growth
* Need a breakthrough on international cooperation on technology transfer and dissemination
* Need to address the need for technology transfer facilitation mechanism
* FfD can address question on technology transfer from a systemic perspective, address systemic obstacles to the transfer of technology, including questions of IPR and examining how the international system could improve cooperation on technology

**Other Member States:**

**Australia**

* Strong support of the inclusion of technology in the text

**Italy:**

* We believe Trieste scientific pole offers a valid example of how international cooperation can empower research, science and innovation capacities in developing countries. We leave it to you to verify if and how this experience can find an useful inclusion in the framework of the MoIs we are considering for Addis Ababa.

**Japan**

* Support this new section and title with the inclusion of the word ‘science’
* Need to strengthen focus on the enabling environment, e.g. on balanced IPR regimes, rule of law, investments in education and health, ICT technologies and infrastructure that would increase demand for and ability to absorb technology

**Switzerland**

* Important to highlight critical role of capacity building
* We welcome the integration of a section on technology, innovation and capacity building in the Zero Draft. These three issues are important means to achieve the Sustainable Development Goals.
* there is no one-size-fits-all solution and we should promote a holistic approach on technology and innovation

**United States**

* We welcome the zero draft’s discussion of Technology, Innovation and Capacity Building. It is critical to also recognize and include science as a fundamental enabler of innovation, economic growth, and knowledge-based economies, and we believe this should be reflected in the title of the statement and the introductory paragraph.
* We welcome the zero draft’s recognition that scientific research underpins the development of new vaccines and medicines, new energy technologies, and agricultural advances. The draft also usefully references many important aspects of the complex process of transitioning scientific research from the lab to the marketplace; we would suggest language in para. 106 to reinforce this concept. We welcome the emphasis on (science, technology, and innovation) STI as a part of national development strategies and the focus on collaboration.
* There are a few places in the draft, paras. 103, 107 and 110 in particular, where we recommend highlighting the impact that information communication technologies (ICT) – including the Internet and enhanced connectivity – can serve as vital enablers of development. This increased connectivity enables the sharing of information and resources, creation of networks of entrepreneurs and innovators, and promotes more transparent and accountable government.
* We support the call to enhance innovation in para. 105, and would suggest including language to emphasize the need for strong enabling environments to increase investment in research and development. We believe functional STEM - science, technology, engineering, and mathematics - educational institutions, transparent regulations and the rule of law, research and development, robust financial systems, respect for property rights, and strong public-private partnerships are necessary for innovation to flourish.
* The United States supports a number of existing multilateral programs for technology development, sharing, and diffusion that could be recognized in the draft, such as the Consultative Group on International Agricultural Research (CGIAR), the UNFCCC Climate Technology Center and Network, and WIPO’s Access to Research for Development and Innovation program and GREEN knowledge sharing platform. We believe that these initiatives already cover a wide range of technologies, and note the need for greater clarification on why a new technology sharing or transfer mechanisms is needed and what such a mechanism would contribute. Where strong enabling environments exist, technology is being developed, implemented, transferred and used for the benefit of consumers as well as inventors. The key is to put in place and replicate the conditions necessary to attract and enable the types of collaboration and investment that are needed to further technological solutions to our problems, where those are appropriate. For these reasons, the United States does not believe sufficient information has been provided to justify support for the proposal for an online global platform as referenced in paragraph 112 at this time.
* While the United States is following the work of the High Level Panel on the feasibility of an LDC Technology Bank with interest, the language in para. 113 must reflect the fact that the feasibility study is currently underway, and Member states will need time to review and assess the study upon its conclusion (para. 113) prior to forming and stating a position.
* The United States supports voluntary private sector technology transfer on mutually agreed terms, and would include edits in paragraphs 104, 108, 109, and 114 to reflect this concept. We also support and readily engage in government-to-government transfer of non-proprietary technology to enable public sector performance improvements in developing countries.
* While there is much in this document that accurately and helpfully reflects what is needed to incentivize and enable innovation, the language in paras. 106 and 108 falls short in reflecting the current state of technology transfer in many areas, including clean technologies. We would not support language that proposes to impede rather than incentivize further public-private cooperation. Rather, we will support a discussion on technology transfer that is fact-based, respectful of private property rights, and supportive of meeting legitimate needs for technology goods and services in a manner that supports development while adhering to other international obligations.
* We noted yesterday that we have to respect other autonomous institutions, with autonomous mandates. As such, we would not support a reference to the TRIPS agreement in para. 114.
* For STI to realize its significant potential in supporting sustainable development, we believe our efforts should be focused on areas with the most potential for impacts and we look forward to working with others in fulfilling that vision.

103. Technology, innovation and capacity building are critical to achieving sustainable development. We are currently witness to significant advances in a wide range of science and technology fields, which, if harnessed properly, will enable great progress for people and planet. Innovation and diffusion of new technologies is a powerful driver of economic growth and employment creation. New vaccines and medicines will support advances in health. Information and communication technologies (ICT) drive technological progress in a wide range of sectors and have made the diffusion of information easier, which offers great opportunities for education. New technologies and technological diffusion will be key to attain more climate-resilient and resource-efficient development, including through low carbon energy sources and systems. Technology, innovation and capacity building can also promote gender equality and facilitate sustainable production and consumption patterns, resilience against natural disasters, climate change and other shocks, and support the protection of the environment, including preventing deforestation and desertification. However, we note with concern the uneven innovative capacity and access to technology both within and between countries, as shown for example by a persistent “digital divide”, particularly for LDCs.

**Groups:**

**G77 & China**

* Technology, innovation and capacity building are critical to achieving sustainable development. We are currently witness to significant advances in a wide range of science and technology fields, which, if harnessed properly, will enable great progress for people and planet. Innovation**, development,** **transfer** and diffusion of **existing and** new technologies **and associated know-how** ~~is a~~ **are** powerful driver**s** of economic growth and employment creation. New vaccines and medicines will support advances in health. Information and communication technologies (ICT) drive technological progress in a wide range of sectors and have made the diffusion of information easier, which offers great opportunities for education. New technologies and technological **transfer and** diffusion, **as well the as provision of resources to support technology development in developing countries, including support to meet the full costs of intellectual property rights,**  will be key to attain more climate-resilient and resource-efficient development, ~~including through low carbon energy sources and systems~~. Technology, innovation and capacity building can also promote gender equality **and empowerment of women** and facilitate sustainable production and consumption patterns, resilience against natural disasters, climate change and other shocks, and support the protection of the environment, including preventing deforestation and desertification. However, we note with concern the uneven innovative capacity and access to technology both within and between countries, ~~as shown for example by a persistent “digital divide”~~ **in developing countries**, particularly for LDCs, **SIDS and Africa resulting in a persistent “digital divide between developed and developing countries**. **Commitments should be made by developed countries to provide technical assistance for capacity building in ICT and to promote increased access to the internet in order to bridge the digital divide.’**

**EU**

* Add "science" to the title of the chapter: **Science,** technology, innovation and capacity building
* Para 103 and para 104 should also integrate references to science and access to the internet.
* Capacity building will be important to ensure effective institutions and the necessary capacity and human skills for implementing the new agenda. This includes ensuring capacity to design and implement policies to tackle sustainable development challenges and to adopt measures, collect data, assess results and review strategies. We consider the treatment of capacity building in the text rather weak. All partners should reinforce capacity development and promote technical cooperation, making a particular effort in LDCs and fragile states. The EU and its Member States remain committed to improving and mainstreaming support for capacity development in all areas of the global partnership through a multi-stakeholder approach.

**AOSIS**

* Technology, innovation and capacity building are critical to achieving sustainable development. We are currently witness to significant advances in a wide range of science and technology fields, which, if harnessed properly, will enable great progress for people and planet. Innovation, **development, transfer** and diffusion of **existing and** new technologies **and associated know-how** ~~is a~~ **are** powerful drivers of economic growth and employment creation. New vaccines and medicines will support advances in health. Information and communication technologies (ICT) drive technological progress in a wide range of sectors and have made the diffusion of information easier, which offers great opportunities for education. New technologies and technological **transfer and** diffusion, **as well the as provision of resources to support technology development in developing countries, including support to meet the full costs of intellectual property rights,** will be key to attain more climate-resilient and resource-efficient development, ~~including through low carbon energy sources and systems~~. Technology, innovation and capacity building can also promote gender equality **and empowerment of women** and facilitate sustainable production and consumption patterns, resilience against natural disasters, climate change and other shocks, and support the protection of the environment, including preventing deforestation and desertification. However, we note with concern the uneven innovative capacity and access to technology both within and between countries, ~~as shown for example by a persistent “digital divide”~~ **in developing countries**, particularly for LDCs, **SIDS and Africa resulting in a persistent “digital divide between developed and developing countries. Commitments should be made by developed countries to provide technical assistance for capacity building in ICT and to promote increased access to the internet in order to bridge the digital divide.**
* AOSIS accepts G77’s position on this paragraph.
* SIDS are particularly acutely affected by a lack of access to technology and innovative capacity. As highlighted in the SAMOA Pathway (para 100), “technology and innovation are essential enablers and drivers for sustainable development”.

**LLDCs**

* It was agreed in Vienna that the digital divide in LLDCs should be addressed. The group therefore proposes that this should be recognized in paragraph 103 of the FfD Zero Draft.
* Add in last sentence: [..] particularly for LDCs**, LLDCs and SIDS.**

**PSIDS**

* Highlight role of SIDS

**G77 members:**

**Nepal**

* We commend that technology, innovation and capacity building have been acknowledged as the critical factors for achieving sustainable development. However, the issue of how to bring it in to the easy reach of poor is missing here. We therefore, would like to invite for commitments in the zero draft for different measures to bring the technology at the reach of the poor people of LDCs and LLDCs, with a very subsidized low cost. Narrowing down the digital divide could be one of the instruments for achieving sustainable development.

**Panama**

* Add in last sentence: **green production low carbon energy**

**Saudi Arabia**

* Delete reference to low-carbon energy sources
* Delete: ~~New technologies and technological diffusion will be key to attain more climate-resilient and resource-efficient development, including through low carbon energy sources and systems. Technology, innovation and capacity building can also promote gender equality and facilitate sustainable production and consumption patterns, resilience against natural disasters, climate change and other shocks, and support the protection of the environment, including preventing deforestation and desertification.~~

**Other Member States:**

**Canada**

* Support paragraph

**Mexico**

* Technology, innovation and capacity building are critical to achieving sustainable development. We are currently witness to significant advances in a wide range of science and technology fields, which, if harnessed properly, will enable great progress for people and planet. Innovation and diffusion of new technologies ~~is~~ **can be** a powerful driver of economic growth and employment creation. New vaccines and medicines will support advances in health. Information and communication technologies (ICT) drive technological progress in a wide range of sectors and have made the diffusion of information easier, which offers great opportunities for education. New technologies and technological diffusion will be key to attain more climate-resilient and resource-efficient development, including ~~through~~ low carbon energy sources and systems. Technology, innovation and capacity building can also promote gender equality and facilitate sustainable production and consumption patterns, resilience against natural disasters, climate change and other shocks, and support the protection of the environment **and biodiversity (SEMARNAT)**, including preventing deforestation and desertification. However, we note with concern the uneven innovative capacity and access to technology both within and between countries, as shown for example by a persistent “digital divide”, particularly for LDCs.

**Switzerland**

* Suggest adding language to value, respect and protect the traditional knowledge and practices of indigenous peoples, traditional and local communities

104. We agree to craft policies that support innovation in areas that can spur sustainable and inclusive growth and increase access to basic services at reduced costs. We recognize the importance of an enabling, regulatory and governance framework in nurturing innovation in both developed and developing countries, including for adaptation of existing technologies. We acknowledge that transferring technology requires an elaborate process of knowledge sharing and adapting technology to meet local conditions.

**Groups:**

**G77 & China**

* We agree to craft policies that support innovation in areas that can spur sustainable and inclusive growth and increase access to basic services at reduced costs. We recognize the importance of an enabling, regulatory and governance framework in nurturing innovation in both developed and developing countries, including for adaptation of existing technologies. **We recognize the importance of technology transfer to developing countries, in line with the needs to enhance the efforts to achieve development, we further note** ~~We acknowledge~~ that transferring technology requires an elaborate process of knowledge sharing and adapting technology to meet local conditions.

**EU**

* Integrate references to science and access to the internet
* It is crucial to contextualise the issue of technology within the broader context of science, technology and innovation. Successful technology transfer is often a result of a complex set of activities, rather than a stand-alone action. It involves access to finance, the promotion of entrepreneurship and foreign direct investments, STEM education and capacity building in STI, as well as the fostering of good governance and of an enabling regulatory framework, including for IPR. Domestic conditions are of particular importance in fostering and promoting science, technology and innovation. Governments play a key role in this respect, by creating a favourable legal environmental and incentives. This dimension should be reinforced in para 104.
* An important aspect of a conducive domestic environment is a strong IPR protection regime in line with WTO and WIPO rules – that should be made clearer in those paragraphs. We welcome reference to IPR protection in para 107 in para 114 but question the use of the qualification "balanced" when it comes to the IPR regime as it may be understood as tempering with WTO and WIPO rules, something we clearly cannot accept.

**G77 members:**

**Panama**

* Have new paragraph 104, language will be provided

**Other Member States:**

**Mexico**

* Consistency of policy programs over time is a necessary condition to achieve this kind of innovation. [CONACYT]

**Switzerland**

* Strongly support the reference to enabling regulatory and governance frameworks. The importance of enabling framework conditions for innovation and technology is fundamental and cannot be overemphasized. We would also like to stress the important role of the private sector. Entrepreneurs and investors are key drivers of innovation and technology dissemination. The Addis Ababa Accord should contribute to remove barriers for entrepreneurs so that they can develop their full potential to innovate and contribute to their countries’ prosperity.

105. 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.

**Groups:**

**G77 & China**

* To encourage innovation **and technology development**, 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~~ **a multilateral trading system** that are open, non-discriminatory, transparent, ~~and~~ collaborative **and development oriented** can further our efforts substantially **by promoting the effective transfer of tech to developing countries and**  by enabling entrepreneurs, scientists, and investors to collaborate and compete in the global marketplace on the merits of their ideas and innovations **foster linkages between multinational companies and domestic private sector, specifically facility the transfer of knowledge and skills to developing countries, and call for investors to integrate local business into their value chains, and provide education and skills training and employment opportunities**

**AOSIS**

* To encourage innovation **and technology development**, 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~~ **a multilateral trading system** that are open, non-discriminatory, transparent, ~~and~~ collaborative **and development oriented** can further our efforts substantially **by promoting the effective transfer of tech to developing countries and** by enabling entrepreneurs, scientists, and investors to collaborate and compete in the global marketplace on the merits of their ideas and innovations **foster linkages between multinational companies and domestic private sector, specifically facility the transfer of knowledge and skills to developing countries, and call for investors to integrate local business into their value chains, and provide education and skills training and employment opportunities.**
* AOSIS supports G77’s proposals here.
* The group promotes opportunities for scientists and experts on SIDS to collaborate on greater efforts at studying pertinent issues, and to have them incorporated in international/global research programs (which will also help build capacity in SIDS). The SAMOA Pathway emphasizes entrepreneurship and innovation as well (para 27(c)).

**G77 members:**

**Ethiopia**

* In line with the African position we would highlight the need to “foster linkages between multinational companies and domestic private sector, specifically facility for the transfer of knowledge and skills to developing countries, and call for investors to integrate local business into their value chains, and provide education and skills training and employment opportunities”. This language could perhaps be included at the end of paragraph 105.

**Other Member States:**

**Switzerland**

* Strongly support the reference to enabling regulatory and governance frameworks. The importance of enabling framework conditions for innovation and technology is fundamental and cannot be overemphasized. We would also like to stress the important role of the private sector. Entrepreneurs and investors are key drivers of innovation and technology dissemination. The Addis Ababa Accord should contribute to remove barriers for entrepreneurs so that they can develop their full potential to innovate and contribute to their countries’ prosperity.

106. 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 adaption of clean late-stage technologies, we will consider setting up innovation funds where 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.

**Groups:**

**G77 & China**

* 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 **and associated know-how** on **preferential and concessional** ~~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 adaption of clean late-stage technologies, we will ~~consider~~ **commit to** setting up innovation funds where 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.

**EU**

* An important aspect of a conducive domestic environment is a strong IPR protection regime in line with WTO and WIPO rules – that should be made clearer in those paragraphs. We welcome reference to IPR protection in para 107 in para 114 but question the use of the qualification "balanced" when it comes to the IPR regime as it may be understood as tempering with WTO and WIPO rules, something we clearly cannot accept.

**Other Member States:**

**France**

* Important to highlight role and contribution of the private sector in order to ensure the SDGs, but also the academic world and civil society promoting partnerships and agreements for sustainable development
* Need strengthen national infrastructure for science and innovation and build on indigenous capacities

**Mexico**

International comparisons show, however, that, in the long term the participation of private investment on innovation should represent a higher percentage of total national investment than public investment.

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.

**Groups:**

**G77 & China**

* 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~~ **relevant** stakeholders, including through **effective transfer of technology to developing countries, on concessional and preferential terms, taking into account that** ~~sound regulation and balanced~~ intellectual property rights regimes **must play a role** **suitable to national development needs and conditions**. 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.’
* **Proposal: 107bis. We recognize the value and commit to respect and protect the traditional knowledge practices of indigenous peoples and local communities, especially as they relate to ecosystem conservation and restoration.**
* **Proposal: 107ter. We underline the need to foster linkages between multinational companies and the domestic public and private business sector of developing countries, specifically by facilitating the transfer of technology, integrating local businesses into their value chains, and providing educational, training and employment opportunities.**

**EU**

* We support the call for adopting national science, technology and innovation strategies that define action for creating enabling conditions at country level and increasing investments in science, technology and innovation. These strategies should integrate gender equality considerations.

**LLDCs**

* The Vienna Programme of Action calls for the promotion of open and affordable access to the Internet for all. We also propose that LLDCs should be recognized in paragraph 107 of the Zero Draft.
* Add: [..] access to the internet in the LDCs by 2020 **and in LLDCs.**

**G77 members:**

**Ethiopia**

* Add a reference to skills: [..]**the enhancement of technical and vocational education and training to support the development of relevant skills in terms of manpower and,** ensuring equal access for women and girls and encouraging their participation**, with developing countries support by donors where appropriate**.
* We call for a flexible Intellectual property Right (IPR) regimes to facilitate dissemination and transfer of technology to developing countries. In this connection, paragraph 107 should reflect that the need for Intellectual property rights regimes have to be fully consistent with 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.

**Philippines**

* We would like to suggest the inclusion of lessons learned/best practices as part of innovation and knowledge and information sharing which are all integral to sustainable development strategies.
* We would like to recommend the inclusion of sustainability of gains including partnerships and network built from both the developed and developing countries. The lessons learned from past projects, i.e., making realistic targets, identification of risks, procurement processes and capacity to implement, are some of the factors that need to be taken into account.
* Also, part of the lessons learned that need to be considered are the clarity in the implementation arrangements, accountabilities and responsibilities of all the key stakeholders for smooth project implementation. In addition, good governance, good leadership and political commitment of the local chief executives in the implementation of programs and projects are important factors in delivering results

**Other Member States:**

**Canada**

* Disagree as a matter of principle with calls to increase resources for specific sectors, donor consideration where to allocate their limited resources must be guided by numerous considerations

**Russia**

* [..] We will ~~significantly increase access to ICT and~~ strive to provide universal and affordable access **to *ICT including*** the internet in the LDCs by 2020.

**Switzerland**

* We agree with the important role of science, technology and innovation strategies. We welcome in particular the mentioning of technical and vocational education and training, of and ensuring equal access for women and girls.

108. We will increase international cooperation and collaboration on innovation and scientific research, building on existing initiatives, and acknowledging the important role that South-South cooperation and triangular cooperation can play in this regard. We will step up international collaboration in scientific research focusing on specific needs of developing countries, including those related to the achievement of the SDGs, and to adopt open access to research as a general principle for publicly funded research projects. 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. We commit to allocate ODA for technical support to national science, technology and innovative applications, such as hydro-meteorological information and early warning systems, including through human capacity development in developing countries, in particular LDCs.

**Groups:**

**G77 & China**

* We will increase international cooperation and collaboration on innovation and scientific research, building on existing initiatives, and acknowledging the important role that **North-South Cooperation,** South-South cooperation **as a complement** and triangular cooperation**,** can play in this regard. We will step up international collaboration in scientific research focusing on specific needs of developing countries, including those related to the achievement of the SDGs, and to adopt open access to research as a general principle for publicly funded research projects. To this end, we will scale up ~~support~~ **financing including through, inter alia, the support for** ~~to~~ PPPs **and** targeting technology development**, transfer** and diffusion in priority areas, including ~~low-carbon~~ ~~climate resilient~~ **energy efficient and environmentally sound** technologies, ~~climate-resilient~~ **sustainable** agriculture, sustainable urban development (~~transport, buildings, food and service provision~~) **infrastructure, energy** and vaccines and medicines. We commit to allocate **a portion of** ODA for technical support to national science, technology and innovative applications, such as hydro-meteorological information and early warning systems, including through human capacity development in developing countries, in particular LDCs, **SIDS and African countries**.’
* **108bis. We underline the need for the enhancement, development, transfer and diffusion of technology and innovation in line with each country’s development needs; for strengthening the science and technology component of education curricula; and call for the Establishment of an innovation funds to support innovative enterprises in the early stages and during commercialization stage of the technology.**

**EU**

* All countries should increase bilateral, regional and multilateral cooperation on science, technology and innovation and on solution-oriented research, including on information and communication technologies, and digitalisation to promote implementation of the SDGs. In order to facilitate development of and access to vital and environmentally sound technologies, not only North-South cooperation but also South-South and triangular cooperation are needed, in particular for LDCs. This paragraph should factor in the fact that emerging economies are becoming key players in the transfer of technology and capacity development in LDCs, as well as in scientific and technological cooperation. We support the call in this paragraph for stepping up international collaboration, though language on international cooperation in scientific research could be strengthened, e.g. by including universities and research institutions as key stakeholders and by including a general commitment to open up research programmes. We recall that the EU and its Member States are already very active in international cooperation in research and innovation and support to sustainable development in Europe and globally.

**AOSIS**

* We will increase international cooperation and collaboration on innovation and scientific research, building on existing initiatives, and acknowledging the important role that **North-South Cooperation,** South-South cooperation **as a complement** and triangular cooperation, can play in this regard. We will step up international collaboration in scientific research focusing on specific needs of developing countries, including those related to the achievement of the SDGs, and to adopt open access to research as a general principle for publicly funded research projects. To this end, we will scale up ~~support~~ **financing including through, inter alia, the support for** ~~to~~ PPPs **and** targeting technology development**, transfer** and diffusion in priority areas, including ~~low-carbon~~ ~~climate resilient~~ **energy efficient and environmentally sound** technologies, ~~climate-resilient~~ **sustainable** agriculture, sustainable urban development (~~transport, buildings, food and service provision~~) **infrastructure, energy** and vaccines and medicines. We commit to allocate **a portion of** ODA for technical support to national science, technology and innovative applications, such as hydro-meteorological information and early warning systems, including through human capacity development in developing countries, in particular LDCs, **SIDS and African countries**.
* AOSIS supports the proposed language.
* SIDS should be included along with LDCs as countries needing technical support in this paragraph, given that SIDS are among those most affected by lack of capacity in meteorological services and early warning systems (see SAMOA Pathway, paras 52(a) and 58(f)).
* The term “energy-efficient and environmentally sound technologies” is derived from the SAMOA Pathway, para 50(f).

**PSIDS**

* Highlight role of SIDS

**G77 members:**

**Ecuador**

* Highlight the importance of the development of increasing South-South cooperation and triangular cooperation which can give an impetus for multiplication of capacity building, will facilitate processes and reduce cost, and in certain cases eliminate financial risk

**Ethiopia**

* We completely agree with the paragraph on research for agriculture and health.
* On paragraph 108, we welcome the commitment to allocate ODA for technical support to national science technology and innovation application. We would like to suggest that we call simply to scale up financing—no added value in referring to PPPs as a specific modality in this instance.
* We also suggest replacing the term “climate-resilient agriculture” with “**sustainable agriculture**”, as the term “sustainable agriculture” is broader and encompasses climate resilience.

**Saudi Arabia**

* Delete: [..]~~including low-carbon and climate resilient technologies, climate-resilient agriculture, sustainable urban development (transport, buildings, food and service provision) and vaccines and medicines~~ [..]
* Delete: [..]sustainable urban development ~~(transport, buildings, food and service provision)~~ and vaccines [..]
* Delete reference to sectors used to define sustainable urban development (transport, buildings, food and service provision) as urban development expands beyond these sectors

**Other Member States:**

**Australia**

* Discussion on technology needs to be based on the premise of the whole technology lifecycle by improving enabling environments and capacity through providing expertise and professional know-how
* We do not support general earmarking of ODA but would rather like to see country-led priorities, led by partner governments in line with their national priorities

**Canada**

* Support paragraph

**New Zealand**

* LLDCs and SIDS face significant challenges with accessing appropriate technology and the impact of natural disasters on their economies and also need support for early warning systems.
* Add to last sentence: **LLDCs and SIDS**

**Norway**

* ODA and technical assistance should be used for building strong national tax administrations and fiscal management capacity in partner countries.

**Russia**

* We commit to ~~allocate ODA~~ **channel adequate resources** for technical support to national science, technology and innovative applications, such as hydro-meteorological information and early warning systems, including through human capacity development in developing countries, in particular LDCs.

**Switzerland**

* We feel that the role of Public-Private Partnerships in technology, innovation and capacity building should be strengthened in the Zero Draft. By bringing together public and private actors, multi-stakeholder partnerships have proven to be powerful to catalyse innovation and technology for sustainable development, in particular in areas where the market does not provide adequate solutions.

109. We highly value the research and development of vaccines and medicines for the communicable and non-communicable diseases that primarily affect developing countries and will increase our support of the work of Gavi, The Vaccine Alliance, in incentivizing such innovation and improving equal access to new and underused vaccines. We also commit to further increase investment in agricultural research and development, and call on the Consultative Group on International Agricultural Research (CGIAR) to strengthen long-term partnerships with the private sector, academia, and civil society to accelerate the development, demonstration and diffusion of sustainable agricultural technologies. We agree to continue efforts to upgrade technology for modern and sustainable energy services for all, particularly LDCs and SIDS, and welcome the Secretary-General’s Sustainable Energy for All initiative as a useful framework in this regard.

**Groups:**

**G77 & China**

* We highly value the research and development of vaccines and medicines for the communicable and non-communicable diseases that primarily affect developing countries and will ~~increase our~~ support ~~of~~ **all relevant initiatives such as** the work of Gavi, The Vaccine Alliance, in incentivizing such innovation and improving equal access **while enhancing developing countries accessibility and ensuring affordability** to new and underused vaccines. We also commit to further increase investment in agricultural research and development, ~~and call on the Consultative Group on International Agricultural Research (CGIAR) to strengthen long-term partnerships with the private sector, academia, and civil society~~ to accelerate the development, demonstration and diffusion of sustainable agricultural technologies.’
* **109bis. We highly value access to affordable, reliable, sustainable and modern energy for all as a requirement for sustainable development .**We agree to continue efforts to upgrade technology for modern and sustainable energy services for all **developing countries**, particularly LDCs, ~~and~~ SIDS **and African countries** and welcome the Secretary-General’s Sustainable Energy for All initiative as a useful framework in this regard. **We will also strengthen our efforts to substantially increase our share of renewable energy and promote energy efficiency and conservation**
* **109ter [missing]**

**AOSIS**

* 109bis: **We highly value access to affordable, reliable, sustainable and modern energy for all as a requirement for sustainable development.** We agree to continue efforts to upgrade technology for modern and sustainable energy services for all **developing countries,** particularly LDCs, ~~and~~ **SIDS** **and African countries** and welcome the Secretary-General’s Sustainable Energy for All initiative as a useful framework in this regard. **We will also strengthen our efforts to substantially increase our share of renewable energy and promote energy efficiency and conservation.’** (*\*maintain underlined text (AOSIS))*
* AOSIS supports the splitting of paragraph 109 inclusion of the language in 109bis by G77.
* Renewable energy, energy efficiency and conservation are a critical part of the sustainable energy policy outlined in the SAMOA Pathway (paras 47-50).

**LLDCs**

* Add: [..]sustainable energy services for all, particularly LDCs, **LLDCs, and** SIDS [..]

**PSIDS**

* Secretary-General’s Sustainable Energy for All initiative valuable initiative

**G77 members:**

**Saudi Arabia**

* We agree to continue efforts to ~~upgrade~~ **to ensure access of** technology [..]
* [..] **affordable** modern and sustainable energy services for all [..]

**Other Member States:**

**Canada**

* Disagree as a matter of principle with calls to increase resources for specific sectors, donor consideration where to allocate their limited resources must be guided by numerous considerations
* Disagree with providing directions to CGIAR, refer to governance structures of the respective institutions
* [..] the research and development of vaccines ~~and medicines for the communicable and non-communicable diseases~~ that primarily affect developing countries and [..]

110. We welcome additional recent developments of global investment in research, development, diffusion and capacity building, including the UN Commission on Science and Technology for Development, the Climate Technology Centre and Network's advisory services, the World Intellectual Property Organization’s (WIPO) capacity building, and the World Bank's Climate Investment Funds (CIF). We hope to build on these mechanisms, to spur innovation of clean technologies, increase capacity development, close the technology gap and help developing countries move up value chains.

**Groups:**

**G77 & China**

* We welcome additional recent developments of global investment in research, development, **transfer and** diffusion **of relevant technology** and capacity building, including the UN Commission on Science and Technology for Development, the Climate Technology Centre and Network's advisory services, **the Green Climate Fund,** the World Intellectual Property Organization’s (WIPO) capacity building, and the World Bank's Climate Investment Funds (ClF) **and UNIDO’s National Cleaner Production Centres and networks**. We ~~hope~~ **stress the need** to build on these mechanisms, to spur innovation of clean technologies, increase capacity development, close the technology gap and help developing countries move up value chains. **Intellectual property rights regimes have to be fully consistent with 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.**

**G77 members:**

**Panama**

* In fifth line, add: **national cleaner production center network**

**Sri Lanka**

* It is also necessary to formulate climate change adaptation policies with the cooperation between relevant stakeholders.

111. We invite specialized agencies, funds and programmes of the United Nations system with technology-intensive mandates to further promote the development and diffusion of relevant technologies and capacity building through their respective work programmes. We commit to strengthen coherence and synergies among technology transfer initiatives within the UN infrastructure.

**Groups:**

**G77 & China**

* We invite specialized agencies, funds and programmes of the United Nations system with technology-intensive mandates to further promote the development and diffusion of relevant technologies and capacity building through their respective work programmes. We commit to strengthen coherence and synergies among technology transfer initiatives within the UN infrastructure **and in this regard especially call upon UNIDO, UNCTAD, UNEP, ITU, IAEA, the preparatory committee of the CTBTO and others to intensify their efforts in the area.’**

**EU**

* Last year we conducted a series of useful structured dialogues on possible arrangements for a facilitation mechanism to promote the development, transfer and dissemination of clean and environmentally sound technology. Recommendations by the President of the General Assembly following the dialogues were addressed further by the Secretary General in his recent Synthesis Report. We would be ready to further assess these issues.

**Other Member States:**

**Canada**

* Support paragraph

112. Based on the recommendations from the structured dialogues on a facilitation mechanism to promote the development, transfer and dissemination of clean and environmentally sound technologies, we support the proposal of the Secretary General to establish an online global platform, building on and complementing existing initiatives, in partnership with all relevant stakeholders. The global platform will map existing technology facilitation mechanisms, needs and gaps, including in areas vital for sustainable development, including environment, agriculture, cities and health. It will enhance international cooperation and coordination in this field, address fragmentation and facilitate synergies, including within the United Nations system, and promote networking, information sharing, knowledge transfer and technical assistance, in order to advance the scaling up of clean technology initiatives. We welcome the identification of further steps in line with our shared objectives to accelerate technology facilitation.

**Groups:**

**G77 & China**

* **Taking into account** ~~Based on~~ the recommendations from the structured dialogues on a facilitation mechanism, **we decide to establish of a technology facilitation mechanism to promote the development, transfer and dissemination of clean and environmentally sound technologies to developing countries on concessional and preferential terms, to support the achievement of SDGs, and the Post 2015 development agenda** ~~to promote the development, transfer and dissemination of clean and environmentally sound technologies, we support the proposal of the Secretary General to establish an online global platform~~, building on and complementing existing initiatives, in partnership with all relevant stakeholders**, as appropriate**.’
* **112bis. An online** ~~The~~ global platform **, as part of this mechanism** will map existing technology facilitation mechanisms, needs and gaps, including in areas vital for sustainable development, including environment, agriculture, cities and health. It will enhance international cooperation and coordination in this field, address fragmentation and facilitate synergies, including within the United Nations system, and promote networking, information sharing, knowledge transfer and technical assistance, in order to advance the scaling up of clean technology initiatives. ~~We welcome the identification of further steps in line with our shared objectives to accelerate technology facilitation~~.’

**EU**

* Last year we conducted a series of useful structured dialogues on possible arrangements for a facilitation mechanism to promote the development, transfer and dissemination of clean and environmentally sound technology. Recommendations by the President of the General Assembly following the dialogues were addressed further by the Secretary General in his recent Synthesis Report. We would be ready to further assess these issues.

**G77 members:**

**India**

* Support suggestion by G77 regarding wording on technology facilitation mechanism

**Panama**

* In line six, add: **such as industry**

**Philippines**

* The discussion on financing for development has now expanded to other important global concerns such as on technology and innovation given its importance as means to achieve the sustainable development agenda. With the issue on the uneven distribution of and access to vital and environmentally sound technologies, the NS strongly supports the proposal to first establish an online global platform that will map existing technology facilitation mechanisms, needs and gaps. This is deemed an important undertaking and tool that can substantially help decision makers to come up with a more inclusive framework on how to further promote science, technology and innovation (STIO), including information and communications technology (ICT), in the global economy.

**Other Member States:**

**Canada**

* Support paragraph

**Japan**

* Cannot support proposal to establish an online global platform, PGA summary of the structured dialogue not a consensus document, need concrete and detailed information about the platform and its relation to other mechanisms such as the technology bank, etc. to make a judgement

**Switzerland**

* We note that last year's four dialogues on a technology facilitation mechanism clearly showed, that further clarifications with regards to a mechanism are needed. At the same time, there was a general consensus during the dialogues on the importance of technology, innovation and capacity building for the achievement of the SDGs.

113. We look forward to the recommendations of the High-Level Panel on organizational and operational functions of a proposed technology bank for LDCs, and commit to expeditiously establish and make fully operational the technology bank and the science, technology and innovation supporting mechanism dedicated to LDCs, based on the outcome of the High-Level Panel’s report. We will work towards enhancing ICT infrastructure development and capacity building in LLDCs and SIDS.

**Groups:**

**G77 & China**

* We look forward to the recommendations of the High-Level Panel on organizational and operational functions of a proposed technology bank for LDCs, and commit to expeditiously establish and make fully operational the technology bank and the science, technology and innovation supporting mechanism dedicated to LDCs, **during the 70th session of the General Assembly,** based on the outcome of the High-Level Panel’s report. **We decide to provide at least 0.1% of the ODA to LDCs for science, technology and innovation activities through the technology Bank.**
* **113bis.**We will work towards enhancing ICT infrastructure development and capacity building in ~~LLDCs and~~ SIDS.
* **113ter. We call for the commitment of the international community to promote ICT infrastructure development and capacity building in LLDCs, in particular a universal broadband policy as agreed in the Vienna Program of Action for LLDCs.**

**EU**

* We should not pre-empt the recommendations of the High-Level Panel of experts established to study the feasibility of a technology bank. Going forward, we should avoid duplication of discussions on these issues between the FfD and post-2015 tracks. Science, technology and innovation will be an important Mean of Implementation of the post-2015 agenda, and should not be treated in a fragmented way.

**AOSIS**

* 113bis: **We will work towards enhancing ICT infrastructure development and capacity building in** ~~LLDCs and~~ **SIDS.**
* AOSIS supports the splitting of 113 and the insertion of this paragraph.
* This language is adapted from the SAMOA Pathway (para 111). The need for improving ICT infrastructure and capacity building is well recognised, based on the principle that science, technology and innovation are essential enablers and drivers for sustainable development.

**LDCs**

* We look forward to the recommendations of the High-Level Panel on organizational and operational functions of a proposed technology bank for LDCs, and commit to expeditiously establish and make fully operational the technology **bank and the science, technology and innovation supporting mechanism dedicated to LDCs, during the 70th Session of the UNGA,** based on the outcome of the High-Level Panel’s report. **We decide to provide at least 0.1 per cent of the ODA to LDCs for Science, Technology and Innovation related activities through the Technology Bank.**
* Make this a separate paragraph: We will work towards enhancing ICT infrastructure development and capacity building in LLDCs and SIDS.

**LLDCs**

* We commend the distinguished Co-Facilitators for recognizing, in paragraph 113, to enhance ICT infrastructure development and capacity building in LLDCs. The reference to LLDCs should be maintained.

**PSIDS:**

* Highlight role of SIDS

**G77 members:**

**Ethiopia**

* On para 113 we stress for the need to indicate specific commitment and time line for the establishment of technology bank for LDCs.

**Nepal**

* We call for a timely operationalization of Technology Bank for LDCs.

**Other Member States:**

**Australia**

* Support the process for the proposed establishment of the technology bank for LDCs, as drafted, the para preempts the high-level panel’s findings, need for changes to balance these concerns
* Any bank would have to cater to the concerns of vulnerable SIDS, including those earmarked for graduation, support New Zealand

**Canada**

* Supportive of almost any mechanism to transfer technology, as long as it based on mutually agreed terms and conditions
* commit to expeditiously establish and make fully operational the technology bank and the science, technology and innovation supporting mechanism dedicated to LDCs,
* [..] ~~commit to expeditiously establish and make fully operational~~ **consider the establishment and operationalization of** the technology bank and the science, technology and innovation supporting mechanism dedicated to LDCs, based on the outcome of the high-level panel’s report.

**Japan**

* Follow through with agreements in GA resolution 68/224, GA will receive report and recommendations by experts during the current session and will evaluate it with a view to operationalize the bank in the 70th session if so recommended by the panel, language should not prejudge outcome

**Russia**

* Delete: [..] ~~and commit to expeditiously establish and make fully operational the technology bank and the science, technology and innovation supporting mechanism dedicated to LDCs, based on the outcome of the High-Level Panel’s report.~~

114. In addition, we will work to assure policy environments conducive for technology development and dissemination as well as balanced intellectual property rights (IPR) regimes, including the application of TRIPS flexibilities fully consistent with sustainable development strategies and the necessary consideration of knowledge and technologies in the public domain and under compulsory and public licenses.

**Groups:**

**G77 & China**

* In addition, we ~~will work~~ **commit** to assure policy **space and an enabling** environments **at all levels** conducive for technology development, **including through transfer** and dissemination as well as balanced intellectual property rights (IPR) regimes **at all levels with special focus on enhancing the capabilities of developing countries and taking into consideration that those regimes should not hinder the access of developing countries to essential products or prevent them from developing their national strategies and industries**, including the application of TRIPS flexibilities fully consistent with sustainable development strategies and the necessary consideration of knowledge and technologies in the public domain and under compulsory and public licenses.’
* **114bis: We emphasize the need for enhanced capacity building for sustainable development and, in this regard, we call for strengthening of technical and scientific cooperation, including through North-South and triangular cooperation as well as South-South cooperation as a compliment. It could be reiterated that the importance of human resource development, including training, the exchange of experiences and expertise, knowledge transfer and technical assistance for capacity-building, which involves strengthening institutional capacity, including planning, management and monitoring capacities; ‘**
* **114 ter: It is critical to reinforce national efforts in capacity-building in developing countries in such areas as institutional infrastructure, human resources development, public finance, mortgage finance, financial regulation and supervision, agriculture productivity, fisheries, basic and vocational education in particular, public administration, social and gender budget policies, early warning and crisis prevention, and debt management. In that regard, particular attention is required to address the special needs of Africa, the least developed countries, small island developing states, LLDCs, countries in conflict, post-conflict countries, countries under foreign occupation and middle-income countries;’**

**EU**

* This paragraph refers to TRIPS flexibilities in a problematic way. TRIPS flexibilities are there to be used by developing countries as necessary. This has to be done consistently with WTO rules. References to consistency with other criteria are not acceptable.

**AOSIS**

* **It is critical to reinforce national efforts in capacity-building in developing countries in such areas as institutional infrastructure, human resources development, public finance, mortgage finance, financial regulation and supervision, agriculture productivity, fisheries, basic and vocational education in particular, public administration, social and gender budget policies, early warning and crisis prevention, and debt management. In that regard, particular attention is required to address the special needs of Africa, the least developed countries, small island developing states, LLDCs, countries in conflict, post-conflict countries, countries under foreign occupation and middle-income countries. (***\*maintain underlined text (AOSIS))*
* AOSIS supports this G77 proposal.
* Capacity building in developing countries including SIDS is central to the success of the FfD framework. In many SIDS, access to financing for development is severely limited by capacity constraints. Sustainable development policies can only be adequately implemented through building and retaining human and institutional capacities, as well as through ensuring access to appropriate, reliable, affordable and modern technology.

**Other Member States:**

**Australia**

* Simplify the text around ‘balanced IPR regimes’

**Canada**

* Support paragraph

## H. Data, monitoring and follow-up

**Groups:**

**G77 & China**

* Follow-up processes of Monterrey and Doha are the weakest aspects of the FfD process and the Group would welcome greater attention to this issue
* support the establishment of a subsidiary body under ECOSOC or using UNGA arrangements for monitoring and follow-up.
* Caution against “subsuming” FfD under the High-Level Political Forum (HLPF).

**EU**

* This chapter will have to be substantially reworked: (1) it should address FfD follow-up holistically, meaning that all Means of Implementation should be covered; (2) it should do so in the framework of the single and overarching post-2015 monitoring, accountability and review framework. The success of the post-2015 agenda will depend on countries working together and upholding their commitments. A solid, comprehensive, efficient and effective approach to monitoring, accountability and review (MAR) will therefore be crucial. Monitoring of implementation efforts should not be separated from the monitoring of overall progress towards achieving the goals since evidence of effective implementation comes with progress towards internationally agreed objectives.

**G77 members:**

**Ethiopia**

* It is critical that we improve and enhance our statistical collection at national levels. Indeed, if they are not accurate nationally then international statistics either become a mockery, or once again parallel systems are used rather than strengthening country systems in areas where they need to be strengthened. We therefore think that paragraph 117 and 118 on strengthening national statistical systems are vitally important.
* Regarding following up our commitments in this text, we first think that the individual commitments in the Addis Ababa Accord could be bolded and perhaps pulled out once all is agreed to help facilitate measurement against those commitments.
* Overall we see this process as integral with the post 2015 agenda, as a key part of the means of implementation of the SDGs.

**Philippines**

* We are pleased with the space granted to data, monitoring and follow-up in the draft Accord. However, noting the draft Accord's seeming tentativeness, the NS thinks that while consensus is easier achieved with broad statements, progress would be better tracked and success more likely attained, with firm commitments. So as to support the Accord's call for the development of metrics and mechanisms for monitoring progress the NS would like to highlight the need for specifying targets or concretizing agreements, which would be the subject of eventual measurement and monitoring.

**Other Member States:**

**Australia**

* Australia is broadly supportive of the way this section is framed and the onus it places on national governments to improve the availability and quality of data and strengthen their statistical authorities, with capacity-building support from developed countries.
* Australia welcomes the clear reference in this section to the importance of quality data and its value to decision-makers in formulating national policies in developing countries, particularly SIDS and LDCs. This includes building on existing processes and systems as much as possible in an effort not to impose unmanageable reporting burdens on countries, particularly those with low capacity.

**United States**

* We welcome this recognition in the zero draft that a lack of reliable and accessible data constrains development outcomes and effectiveness. We believe data is a critical enabler of development that can inform decision making and can enable decision-makers to better target funding, based on information about what is and isn’t working to advance sustainable development. Data can also open whole new fields of business – such as privately run micro-weather forecasting services that optimize farming techniques – and create wholly new kinds of economic value.
* We recommend strengthening the zero draft by acknowledging that transparent and open information, including data, are essential to our common goal of eradicating extreme poverty. We would propose adding a paragraph before para. 116 noting that high-quality, disaggregated, and machine-readable data available at local, national, and global levels, can be an important source of information to enable governments, civil society, and the private sector to better target policy innovations and programs, improve services, spur innovation and growth, increase efficiency and interoperability, and reduce costs. We would also urge the inclusion of text recognizing the need for mutually agreed upon standards for data, including on privacy and storage, in order to ensure that data can be accessed, analyzed, and compared across users and institutions.
* In order to ensure that the benefits of economic growth are inclusive and leave no one behind, the availability and reliability of disaggregated data will be critical. In addition, we believe that disaggregation should be the minimum standard required. We should redouble our efforts to collect specific and gender-sensitive data, and those responsible for data collection should include not only national statistical offices, but also those who collect data on local and municipal levels. We believe para 115 should be revised to reflect that.
* However, access to data is not sufficient for us to achieve our sustainable development objectives. Access to tools that turn data into useful, user-friendly, and actionable information is critical to unlock the full potential of that data to enable governments to address critical development challenges. We recommend including language in para.116 emphasizing that data’s real value comes from its use by governments, citizens, and civil society to inform decision making and address critical development challenges, as well as serve as a powerful tool to hold all actors accountable.
* With respect to para. 123, greater clarity is needed with regards to the call for an inter-agency task force to report annually on our progress towards implementing this framework, the costs associated, and how its annual report would differ from annual reports produced on FFD in preparation for meetings of the General Assembly’s Second Committee. Most importantly, we urge greater clarity on what the goal of the proposed interagency task force is. The Addis Ababa outcome document must remain a policy framework, and we believe that monitoring and follow-up referenced in paragraph 124 is most effectively accomplished at the national level. In addition, we believe that this outcome document will play an important role in driving the Post-2015 SDGs. The monitoring and follow-up of the SDGs can become the de facto monitoring tools for FfD. We do not see the need for an elaborate, formal and costly follow-up process for the FfD.
* Chairs, some of the enumerated concerns notwithstanding, let me close by underscoring and reiterating the important role of data as a source of information that can support evidence-based decision making. We recognize that open information flows are essential if we hope to ensure that the objectives of the FfD process are met. Detailed, high-quality data allows governments, civil society, NGOs, universities, businesses and entrepreneurs to improve services, spur innovation and growth, increase efficiency and interoperability, and reduce costs. We must keep our focus on those elements that will have the most impact in advancing these goals.

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.

**Groups:**

**G77 & China**

* We will seek to improve the availability of sufficiently disaggregated financing data, including **data disaggregated by sex and age** ~~gender-disaggregated data~~, as well as data on other means of implementation, and to strengthen the capacity of our national statistical offices and systems, **ministries to collect, analyze and use data to inform policy and in this regard we call on relevant institution to support this effort**. We call on relevant international financial institutions to strengthen and standardize data on **international** ~~domestic~~ resource mobilization**, including ODA** 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.

**EU**

* We would want to see language highlighting the availability of data, including open data, as a Mean of Implementation in its own right. Data is an essential input for smart and transparent decision-making. It allows individuals and organisations to develop insights and innovations that can improve lives, build more connected and empowered societies and enable a more informed dialogue within and between countries. This should be properly recognised in the Addis outcome. An alternative would be to cover this in a new paragraph.
* We agree that improved statistics on the indicators related to goals and targets and on means of implementation for sustainable development are needed, including on natural resources and the state of the environment. These should be collected and developed taking account experience, best practice, expert knowledge and possibilities offered by digital technologies. We would encourage establishing a core set of appropriate and results-oriented indicators allowing for both quantitative and qualitative measurement of progress. Where relevant, indicators should be disaggregated, for example by gender, age, geography and income.
* For Para 115-118: Strengthening the capacity of national statistical systems will be crucial in that respect. LDCs and fragile states will need to be supported in this endeavour.

**AOSIS**

* AOSIS supports the language proposed by G77.
* In particular, the Alliance supports the inclusion of SIDS in relation to capacity building and sharing of expertise on financing data and statistics. Improved data collection and statistical analysis are required to enable SIDS to effectively plan, follow up on, evaluate the implementation of and track successes in attaining the internationally agreed development goals (SAMOA Pathway, para 113).
* Timely and quality data aggregation is particularly important to SIDS. This is supported by the SAMOA Pathway (para 115).

**LLDCs**

* Include reference to LLDCs in last sentence (LDCs, “LLDCs” and SIDS).

**G77 members:**

**Brazil**

* The Human Development Index (HDI) and multi-poverty index do not provide transparency in methodology and are not aligned with principles with UN statistics.

**Other Member States:**

**Australia**

* We suggest that the phrase ‘sufficiently disaggregated financing data’ in paragraph 115 is made more precise by explicitly noting that this includes data disaggregated for sex and disability. We would also propose that the separate requirement for gender sensitivity also be included. Australia is a strong promoter of greater transparency, but urges a streamlined approach to avoid duplication of existing systems.

**Liechtenstein**

• We welcome reference to gender-disaggregated data.

**Russia**

* Change first line: it’s not the crux, holistic view from Monterrey is to do things together
* Add acknowledgement that domestic resource mobilization is complementary to ODA

**Switzerland**

* Addis should welcome TOSSD.

116. We recognize that greater transparency is essential. To this end, we welcome proposals on improved statistical indicators of financial and technical cooperation for sustainable development by all official providers and, separately, for development assistance from foundations and other non-governmental providers.

**Groups:**

**G77 & China**

* We recognize that greater transparency is essential. To this end, we welcome proposals on improved statistical indicators of financial and technical cooperation for sustainable development by all official providers **taking into account their practices** and, separately, for development assistance from foundations and other non-governmental providers.
* **116bis. We further recognize the importance of national ownership of the post 2015 development agenda, to this end we stress on the importance of preparing country needs assessments for the different needs and priority areas that would allow for greater transparency and efficiency of implementation by linking needs and supports in particular in developing countries.**

**EU**

* The current text in this paragraph is far too restrictive. The single comprehensive mechanism for monitoring, accountability and review should track both domestic and international flows, as well as all non-financial MoI including relevant policies. This will include monitoring and reviewing of policies that are conducive to attaining the SDGs. So the aim here should be to improve statistical indicators for all Means of Implementation.

**G77 members:**

**Bangladesh**

* Propose that 116 and 117 be merged into a single paragraph as follows: "We recognize that greater transparency is essential for monitoring financing for development commitments. This can be achieved by all official providers taking the lead in publishing timely, comprehensive and forward-looking information on development in a standardized, open, electronic format based on strengthening existing global publishing standards such as International Aid Transparency Initiative (IATI). All other development actors should be encouraged to follow this lead. "

**Ghana**

* Transparency and quality data has not received enough attention; it is not enough to call for voluntary “publish what you fund” principle

**Other Member States:**

**Australia**

* In paragraph 116, for example, we caution against creating parallel systems for tracking finance and technical cooperation when the Global Monitoring Report for the GPEDC already tracks financial flows and technical assistance from a developing country perspective. We therefore propose language in the text to increasing transparency of financing flows and the tracking of technical cooperation by all development partners by using the GPEDC’s Global Monitoring Report.

**Canada**

* We recognize that greater transparency is essential. To this end, we welcome proposals on improved statistical indicators of financial and technical cooperation for sustainable development by all ~~official~~ **government** providers and, separately, for development assistance from foundations and other non-governmental providers.

**Japan**

* We welcome para.

**United Kingdom**

* We need stronger language on transparency, e.g. as set out in International Aid Transparency Initiative (IATI).

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.

**Groups:**

**G77 & China**

* Greater transparency can be achieved by publishing timely, comprehensive and forward–looking information on development activities in an ~~independent, standardized~~, open, electronic format**, as appropriate**. 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.
* **117bis. Ensuring predictability and sustainability of support provided to developing countries is crucial for strengthening their national capacities, in this regard and as means to enhance transparency, developed countries should provide timely, comprehensive and short and medium term information and data on their ODA contribution to developing countries and the policies and criteria applied with regards to the allocation and enhancing access of this support, and that such information will be part of the follow up and monitoring process for the implementation of this Accord.**

**EU**

* We welcome the reference to attaining and strengthening transparency at country level. Transparency lies at the core of mutual accountability. Greater transparency can be achieved by publishing timely, comprehensive and forward-looking information on all development activities in a common, open, electronic format based on strengthening existing global open data standards.

118. To reach the commitments agreed in this Accord, we commit, in particular, to assist countries in collecting data on domestic flow of funds, including sources, uses and allocation to sustainable development activities by contributing to strengthen national statistical authorities. We also request the UN Statistical Commission, working with the relevant international statistical services and forums, to facilitate enhanced tracking of data on all cross-border financing and other economically relevant flows that brings together existing databases, and to regularly assess and report on the adequacy of international statistics related to financing for sustainable development.

**Groups:**

**G77 & China**

* ~~To reach the commitments agreed in this Accord~~, we commit, ~~in particular~~, ~~to assist~~ **further strengthen national statistical bureau in** **developing** countries in collecting **relevant disaggregated** data ~~on domestic flow of funds~~ **towards** , ~~including sources, uses and allocation to~~ **the achievement of** sustainable development ~~activities~~, by contributing to strengthen national statistical authorities **including through**. ~~We also request~~ the UN Statistical Commission, **in coordination** ~~working~~ with the relevant **regional and** international statistical services and forums~~, to facilitate enhanced tracking of data on all cross-border financing and other economically~~ relevant ~~flows that brings together existing databases, and to regularly assess and report on the adequacy of international statistics related to financing for sustainable development~~.
* **118bis. We agree to upgrade the Statistical Commission of the United Nations to become an intergovernmental open membership Commission.**

**Other Member States:**

**Mexico**

* collecting **gender sensitive and disaggregated** data on domestic flows.

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.

**Groups:**

**G77 & China**

* We further call on theUnited Nations **through its GA, in consultation with**  ~~and~~ the IFIs**,**  to develop a **measure of development that goes beyond per capita income,**  ~~broader metric of well-being than GDP as a sustainable development indicator, which recognizes the multi-dimensional nature of poverty and~~ **taking into account** the social, economic, and environmental dimensions of domestic output **and structural gaps at all levels.**

**EU**

* We welcome the reference to a “broader metric of well-being than GDP”, and would encourage further work on that in line with paragraph 38 of the “Future We Want”.

**AOSIS**

* The Alliance supports G77’s proposals in this paragraph.
* AOSIS recognizes that a measure for development that goes beyond both GDP per capita and GNI is needed to take a more holistic approach towards development.

**LDCs**

* The process must be driven by Member States.

**G77 members:**

**Saudi Arabia**

* Delete Para. In the presence of HDI and similar other indicators, we are skeptical about the value of yet another indicator.

**Other Member States:**

**Australia**

* We support in principle paragraph 119 with respect to metrics for wellbeing that go beyond GDP, but we note the complexity of such initiatives as they differ greatly in terms of their focus, and reflect the interests of their creators. We should not forget other alternatives to GDP have also been around since the 1990s, for example the Human Development Index.

**Russia**

* Reservation on language and precise mandate.

**Switzerland**

* We strongly support the development of broader metrics of well-being. We suggest adding a sentence in this paragraph that a broader measure of progress should be a standard of all statistical systems.

120. Mechanisms for monitoring progress will be essential to the achievement of the post-2015 development agenda, including the SDGs and the means of implementation. We commit to monitor progress in implementing the agreements in this Accord in a transparent manner and with full multi-stakeholder participation, and to strengthen mutual accountability for development results.

**Groups:**

**G77 & China**

* **We commit to strengthen** Mechanisms **under the auspices of the UN** for monitoring progress**, which** will be essential to the achievement of **international commitments taken up under this Accord**~~the post-2015 development agenda, including the SDGs and the means of implementation~~. We **also** commit to monitor progress in implementing the agreements in this Accord**, in an open, inclusive and** ~~in a~~ transparent manner. **Such mechanisms must** ~~and with full multi-stakeholder participation, and to~~ strengthen **transparency and** ~~mutual~~ accountability **in the global partnership** ~~for development results~~.

**EU**

* Implementation starts at home. National ownership and accountability will be of key importance for the post 2015-agenda and its implementation including through sustainable development strategies or commitments at the appropriate levels. We would want to see text on that in the outcome document. All states should commit to a multi-stakeholder monitoring, accountability and review process and to setting up systems for accountability at national level. National parliaments will play an important role in this context. There is also a need to strengthen national supreme audit institutions along with other independent oversight institutions – something we'd want to see explicitly referred to in that section, perhaps in a stand-alone paragraph.
* Para 120-121: For coherence, readability and impact, we believe there should be one overarching monitoring, accountability and review framework for the whole post-2015 agenda covering all aspects of the sustainable development goals and targets, and all means of implementation, in a comprehensive fashion. Parallel and duplicative follow-up processes would be ineffective. The HLPF should have a key oversight role. Those paragraphs would have to be revised in that light, and should be moved up in the section.
* Para 120-122: We welcome text on full multi-stakeholder participation. As pointed out in the UNSG's Synthesis Report, the new agenda will be built on shared responsibility and agreed commitments. It will involve a new type of accountability with a contract between people, including civil society, social partners, the private sector, local authorities and governments. The framework should adopt a multi-layered approach, operating at local, national, regional and international level, ensuring consistency between them, and involving all relevant stakeholders.

**LDCs**

* Add, at the end of the paragraph: **In this regard, we decide to establish a financing for development commission as a subsidiary body of the Economic and Social Council.**

**G77 members:**

**Sri Lanka**

* It is also essential to monitor the behavioral impacts of development related policies and to consider such impacts before formulating new policies**.**

**Other Member States:**

**Austria**

* Parliaments play an essential role and should be mentioned.
* National supreme audit institutions should be strengthened and capacity in this context, with cooperation with the UN, could be further strengthened.

**Mexico**

* End para with **By 2020, we will enhance capacity-building support to developing countries, including for least developed countries and small-island developing States, to increase significantly the availability of high-quality, timely and reliable data disaggregated by income, gender, age, race, ethnicity, migratory status, disability, geographic location and other characteristics relevant in national contexts. By 2030, we will build on existing initiatives to develop measurements of progress on sustainable development that complement gross domestic product, and support statistical capacity-building in developing countries.**

**Russia**

* Delete:~~full~~ stakeholder participation

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 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.

**Groups:**

**G77 & China**

* 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 **relevant** ministries**, including** ~~of~~ finance, **foreign affairs,** economic development, trade and development**, planning and** cooperation, central banks and financial regulators, **relevant bodies within the UN system, particularly UNCTAD,** as well as ~~the~~ **other** major institutional stakeholders, ~~other MDBs, the OECD, the FSB, other relevant institutions, civil society and the business sector in the relevant processes and fora~~.

**African Group**

* The UN needs to take a leadership role in the follow-up process.

**Other Member States:**

**Canada**

* Delete reference to central banks.

122. We recognize that one of the most important mechanisms to reach our goals is capacity building and peer learning. National initiatives should be supported by the international community. We call for follow-up at the regional level, with the support of relevant regional and other institutions. We encourage the United Nations regional commissions, in cooperation with regional banks and other organizations, to strengthen platforms for peer review and learning on priority thematic aspects of the global partnership reflected in the present Accord. We invite countries and Regional Commissions to report regularly on their progress and to share lessons learned with the global community.

**Groups:**

**G77 & China**

* ~~We recognize that one of the most important mechanisms to reach our goals is~~ **We agree to strengthen** capacity building and peer learning **so as to fulfill the SDGs and their means of implementation and the commitments taken up in this Accord** . National initiatives should be supported by the international community. We call for follow-up at the regional level, with the support of relevant regional **organizations** and other institutions. We encourage the United Nations regional commissions, in cooperation with regional banks and other organizations, to **provide support to regional organizations to** strengthen platforms for peer review **mechanisms** **for member states** ~~and learning on priority thematic aspects of the global partnership~~ reflected in the present Accord. We invite countries**, on a voluntary basis, including** ~~and~~ Regional Commissions to report regularly on their progress and to share lessons learned with the global community.

**EU**

* Para 122: Exchange of good practices for implementing the SDGs should take place at all levels. The regional level could provide particularly useful opportunities for peer review and learning. We welcome the reference to this in this paragraph

**Other Member States:**

**Russia**

* Clarify what kind of reporting is meant.

123. 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.

**Groups:**

**G77 & China**

* ~~To strengthen follow-up on~~ **As an important input to feed into the intergovernmental follow up** the global level, **we need to reinforce the role of the HL dialogue on FfD.** 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 advis~~e ~~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.

**EU**

* Para 123-124: We cannot accept these paragraphs as currently formulated. We see no need at this stage to request the Secretary-General to convene a new inter-agency Task Force. Instead, the priority must be to clarify the roles and functions of existing fora in the post-2015 framework, and to strengthen cooperation between existing bodies as appropriate. At the global level the single MAR framework should make full use of the General Assembly, the Economic and Social Council, as well as relevant other existing bodies or fora, such as the HLPF, in a coordinated manner to avoid duplication and limit administrative burden. The current draft does not reassure us in this regard. Equally, we are not convinced that the most effective way of keeping implementation issues under review is to foresee a follow-up conference. We would therefore want to replace the current text by language (1) clarifying the function of existing bodies; (2) framing the monitoring of Addis in the context of the comprehensive post-2015 monitoring, review and accountability framework. Addis should of course consider the key issue of monitoring, accountability and review for MoI. However, the outcome from these deliberations will need to be merged into a comprehensive post-2015 monitoring, review and accountability framework with a key, oversight role for the HLPF and no duplication of existing mechanisms. A main function of the HLPF is to review progress, starting in 2016, on the implementation of all the outcomes of the major UN summits and conferences, notably those related to the post-2015 and their respective means of implementation.

**LDCs**

* Amend first sentence: 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, **and** to **submit a** report annually on progress in implementing [..]

**Other Member States:**

**Australia**

* Australia is open to the proposed Interagency Task Force in paragraph 123, but we need more clarity on the rationale for setting up a new process and question if other existing processes or institutions might be used. It is important that we are cautious about the risk of duplication with similar processes in the post-2015 framework

**Canada**

• We believe a unified, integrated approach to implementation and follow-up would be in everyone’s interest. We would also add that making maximum use of existing mechanisms will be key to ensuring cost-effectiveness. In light of the foregoing, Canada does not support paragraph 123 as currently formulated and we look forward to discussing this further during the joint session between the FFD and Post-2015 processes.

**Japan**

* Monitoring of FfD should be integral part of post-2015.

**Liechtenstein**

* We support the interagency task force suggestions.

**Mexico**

* Change second sentence to: **The report on progress and critical gaps in implementing the present Accord shall be transmitted to 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.**

**Russia**

* Need an institutional strengthening on the FfD-follow-up process in the UN. Creating additional inter-agency structures requires justification.

**Slovenia**

* Need a single monitoring follow-up and review framework.

**Switzerland**

* We share the assessment that evidence-based expert input can strengthen monitoring and follow-up at the global level. At the same time, we should avoid duplication. The existing interagency MDG8 Gap Task Force could be a starting point for the discussion on who could provide the expert input. Its composition should reflect the broader scope of the Addis Ababa Accord, and include all relevant stakeholders.

**United Kingdom**

* We need one unified follow-up framework based on existing mechanisms.

124. 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.

**Groups:**

**G77 & China**

* 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 20**20**. **The modalities of this conference will be decided by the General Assembly at the latest by 2019.**

**G77 members:**

**Saudi Arabia**

* Hold Conference in 2020.

**Other Member States:**

**Russia**

* Language should be clarified – is either the date of the Conference, or the date when Member States decide on the need for a Conference.

**Switzerland**

* We are of the opinion that any follow-up of the Addis Ababa Accord should be fed into the overall post-2015 follow-up under the High Level Political Forum. The paragraph must therefore stress the need to ensure the alignment of the respective processes. In addition, we consider it important that the Financing for Development follow-up process provides for the participation of all relevant actors in and outside the UN, including the major institutional stakeholders, Multilateral Development Banks, the OECD, as well as civil society and the private sector. The increasingly diverse range of actors calls for an innovative architecture. A starting point could be to consider the future role of the High-Level Dialogue as well as the High-Level Meeting of the ECOSOC back-to-back with the Spring Meetings.

1. E.g. *Rio +20 The Future We Want* (para 253 on Finance) recognizes the role of partnerships and new sources of financing complementing sources of “financing for sustainable development.” [↑](#footnote-ref-1)
2. See, e.g. *Rio +20 The Future We Want,* para 32. [↑](#footnote-ref-2)
3. Iceland would like to seek clarification of the term „environmental crimes“ and points to the fact the IUU fishing is a violation of international law. [↑](#footnote-ref-3)
4. Acknowledging that the United Nations Framework Convention on Climate Change is the primary international, intergovernmental forum for negotiating the global response to climate change [↑](#footnote-ref-4)
5. Acknowledging that the United Nations Framework Convention on Climate Change is the primary international, intergovernmental forum for negotiating the global response to climate change [↑](#footnote-ref-5)
6. United Nations, *Treaty Series*, vol. 1833, No. 31363. [↑](#footnote-ref-6)
7. See Food and Agriculture Organization of the United Nations, document WSFS 2009/2. [↑](#footnote-ref-7)