# I. A global financing framework

**On 3,**

We appreciate the reference to domestic resource mobilization and private sector engagement. Regarding the expansion of the donor base for international cooperation, we would like to emphasize the importance of including emerging economies as donors.

**On 14,**

 To achieve the SDGs, efforts should be advanced based on the concept of human security,

So we propose adding ",putting human dignity at the center through human security approach." at the end of paragraph.

**On 18,**

On health, universal health coverage (UHC) should be mentioned, as financing for health systems is key to achieving UHC.

On education, we propose adding ”most marginalized children” and  “multistakeholder” and "quality education" in line with the proposal from GPE, global partnership for education.

We suggest inserting 'for peacebuilding and sustaining peace' before the last sentence.

Additionally, since there are still many conflicts in the world, it is important to mention the use of resources based on a peacebuilding perspective and the HDP nexus.

We propose adding a new paragraph after **Paragraph 24** on peacebuilding and the HDP nexus specifically, and we are ready to suggest language.

**On 22,**

In general, technology or knowledge transfer involves the transfer of intellectual property such as patents and trade secrets, and most of these are owned by the private sector.

Therefore, in order to prevent the forced transfer of private sector property, technology or knowledge transfer should be conducted on voluntary and mutually agreed terms.

**On 23**,

We suggest adding the importance of mobilizing all sources of funding (domestic and international, public and private), and enhancing resource mobilization for effective GBF implementation.

*HLPF2024*[*https://docs.un.org/en/E/HLS/2024/1*](https://docs.un.org/en/E/HLS/2024/1)

*8. We call for the provision and mobilization of new and additional means of implementation to support the full implementation of the Convention on Biological Diversity, and further emphasize the importance of urgently increasing the mobilization of financial resources from all sources, domestic and international, public and private, with a view to closing the biodiversity financing gap and making adequate and predictable resources available in a timely manner for the effective implementation of the Kunming-Montreal Global Biodiversity Framework.*

**On 24,**

Investment in disaster risk reduction is crucial for addressing more frequent and intense disasters, and risk-informed public and private investment is cost-effective than primary reliance on post-disaster response and recovery. We propose including this perspective

II. A. Domestic public resources

**On 29(e),**

It is our redline to keep the wording of “while respecting national sovereignty”, because the tax sovereignty of each country in terms of designing its domestic tax system should be respected. This principle also applies when considering taxation on high-net worth individuals.

**On 29(g),**

Risk-informed investment is important and fiscal programme should consider disaster risk. We propose including this perspective.

*Sendai Framework for Disaster Risk Reduction*

*Priority 3: Investing in disaster risk reduction for resilience*

*To promote, as appropriate, the integration of disaster risk reduction considerations and measures in financial and fiscal instruments;*

**On 30(a),**

We are concerned about Para 30 a) since what the phrase "voice and representation" refers to is unclear given that all jurisdictions have an equal voting right in current international forum. Rather, one of the reason why developing countries feel their unequal voice and representation would be that they are struggling with building the capacity to proactively participate in the international tax architecture.

Therefore, for the sake of enhancing the inclusive and effective international tax cooperation, we propose replacing "voice and representation" with a phrase which enhances the involvement and participation of developing countries to the currently existing forum.

**On 30(b),**

We consider that this sentence does not seem to be fully aligned with the currently existing principle of international taxation and also this suggests the inauguration of the discussion on reallocating taxing rights.

We could not agree to newly start discussion on the reallocation of taxing rights without ensuring consensus-based decision-making process.

**On** **30 (c),**

Inclusive and effective international tax cooperation, as envisioned by the UN Framework Convention on International Tax Cooperation, should be based on consensus decision-making and this para should articulate this point.

**On** **30 (e),**

We could not agree with this para. Specifically, “grace periods for full reciprocity under automatic exchange of tax information or further simplifying certain standards and conditions" are not acceptable, because the existing standards of OECD are designed to enable the effective exchange of information while guaranteeing the security of the data exchanged. It is not a feasible option to provide information to jurisdictions that do not meet these standards.

Also, we have a concern on "further evaluating the creation of a central public database for country-by-country report", because the disclosure of CbCR information is not in line with the original purpose of the exchange of such information (i.e. to identify transfer pricing risks).

Moreover, given that the information is not currently collected on the assumption that it will be made public, this sentence should be deleted.

**On 30 (f),**

We are concerned about this para saying that "working toward establishing a global beneficial ownership registry covering a wide range of assets, legal entities and legal arrangements, such as companies, trusts, and limited liability partnerships”,

because "a global beneficial ownership registry" is totally different system from the exchange of information as currently implemented in tax treaties, which is based on the existence of forseeable relevance of the information to be exchanged.

It is critical to have a careful discussion and it is premature to include this sentence here.

**On** **30 (h),**

It is our redline to keep the wording of “on a voluntary basis”, because the tax sovereignty of each country should be respected, in terms of whether to introduce innovative taxes to mobilize resources for sustainable development. This principle also applies to global solidarity levies.

**On 31 (d),**

As the details of the pilot initiatives for innovative approaches remain unclear and ambiguous, therefore we find it necessary to place a reservation on the current wording. We hope that further clarification will be provided.

**On 31 (e),**

As the current wording presents challenges for our support, we find it necessary to request its deletion.

Because if this mulitilateral mediation mechanism mentioned here refers to a mechanism of mediating individual cases between two countries by a third party, it would not be suitable for asset recovery cases.

Since asset recovery decisions tend to rely not only on discretionary decisions by administrative agencies, but also on judicial judgements by Courts. Moreover, it would be inappropriate from the view point of confidentiality requirements of individual cases.

II. B. Domestic and international private business and finance

**On 35,**

It generally organizes the trends and challenges of direct investment to date.

On the other hand, in order to expand the mobilization of private capital, it is crucial to improve the investment environment of the partner country. For this improvement, it is essential to enhance policies and systems through policy discussions related to policy loans by MDBs such as the World Bank.

Furthermore, it is necessary to prepare bankable project plans that attract private investment. In this regard, the necessity of technical cooperation related to the formulation of master plans, feasibility studies, and capacity building of the partner government should also be stated in this paragraph.

Our suggested paragraph as follows:

*Suggested paragraph (after paragraph 35)*

*Attracting private capital for sustainable development requires not only financial instruments but also a predictable investment environment. Key barriers often stem from unclear regulations, inconsistent enforcement, and governance inefficiencies rather than just information gaps. To address this, policy-based lending by multilateral development banks should support investment-related reforms through structured policy dialogue and targeted technical assistance.*

*Additionally, bankable project pipelines are essential to mobilize private investment. This requires robust master plans and feasibility studies (F/S), which help identify viable projects and strengthen government capacity to manage sustainable infrastructure. Expanding technical assistance for project preparation will ensure projects align with national priorities and attract long-term private sector participation.*

**On 35 h) and I),**

The 'Pools of catalytic capital' and '"Pooled Technical Assistance Platform' remains unclear, and we place a reservation on these. We hope that further details will be provided.

**On 35 k),**

We have strong concerns on para 35k. We should note that financial regulations have been developed to maintain financial stability, especially since the Global Financial Crisis. If we were to discuss the relationship between financial regulations and sustainable development , we should entrust such discussions to relevant international fora, such as the G20, FSB and Standard Setting Bodies, in order to avoid any unintended consequences to financial stability. In addition, we should be mindful not to send any messages that imply the review of existing financial regulations, which can undermine the current efforts of implementing the agreed international financial reforms, such as BaselⅢ.

*G20 Leaders para5, Nov2024*

*We also reaffirm our commitment to promote an open, resilient, inclusive, and stable financial system, which supports economic growth, and is grounded in full, timely and consistent implementation of agreed international standards, supported by on-going policy coordination.*

**On 36,**

Regarding the recent legislative developments on sustainable finance, many jurisdictions are still in the early stages of considering the necessary legislations based on their own regulatory frameworks.

At this stage, comparability should be explored first, rather than interoperability, in order to support and not hinder the development in each jurisdiction.

**On 36 a),**

Although we recognize the importance of accelerating impact investment, it is difficult to commit mainstreaming the take-up of inpact investing stratgies and innovative financing instrumetnts because the meaning of and specific ways to 'mainstream' it are not clear and there is no consensus.

Also, as it is not clear which initiatives are done by which jurisdictions, it is not possible to make a dicision on welcoming them.

**On 36 b),**

Although we agree the importance of continued development of sustainability rating and impact valuation methodologies, we cannot conclude at this time that we welcome scaling and adaptation, as there has not been sufficient discussion of how to measure quality or credibility, which is necessary to determine whether we can do so.

**On 36 d),**

We request drop the languages related to urging regulators and suggest that we welcome ongoing efforts by international initiatives such as GFANZ and NZBA instead.

**On 36 e),**

We have strong concerns on this paragraph. The statutory disclosure framework should be considered to meet the informational needs of investors.

However, the cost of imposing a disclosure burden on entities based on the double materiality disclosure framework may exceed the benefit of meeting the information needs of investors. We should consider the single materiality as a standard, and it is not acceptable the descriptions that premise the implementation of double materiality.

In addition, although it is acceptable to state that we will continue our consideration on including external audit provisions, it is premature and difficult to commit to the inclusion of this.

**On 36 f),**

Regarding the stewardship, there is no international consensus to incorporate impact elements, so we suggest modifying the phrase aligned within the scope of international agreement.

In addition, markets of green and impact products is nascent, so we should not excessively intervene through regulations.

**On 36 g),**

We have concerns with this paragraph as it appears to promote the interoperability of all regulations relating to sustainable finance. To make this paragraph more realistic and feasible, we suggest that we promote greater comparability based on each jurisdiction's regulatory frameworks.

II-C International development cooperation

**On 38,**

In order to recognize the increasing role of non-traditional donors as well as the private sector, we propose to add the following element in this paragraph :

"Given that non-traditional donors, through South-South cooperation, and the private sector are increasingly playing a prominent role in supporting developing countries, we should welcome a further expansion of their role in development financing.

**On 38 c),**

We suggest to replace “commit” with “strive”. And we would appreciate it if you could elaborate on the idea of developing an indicator. Our understanding is that there is no such discussion at the DAC.

**On 38 e),**

Achieving the SDGs will be difficult with ODA alone, and cooperation from emerging countries is crucial. In this sense, as for the paragraph 38 about south-south and triangular cooperation, we should aim for more in-depth statement without retreating from the contents of the Buenos Aires outcome document of the second High-level United Nations Conference on South-South Cooperation (BAPA+40) held in 2019.

We believe that by sharing experiences and insights, fostering mutual learning, and utilizing assets from past collaborations, while providing financial resources and training opportunities in a manner that aligns with the priority issues and needs of the recipient country, we not only facilitate further enhancement of knowledge for the supporting country, but also contribute to the improvement of capabilities for the recipient country.

**On 38 f),**

Monitoring and reporting should be considered not as an end in themselves but as a means to support the evidence base and learning of triangular cooperation. Thus, it is useful to mention instrumental values of monitoring and reporting, including, but not limited to, contributions to better performance.

**On 38 g),**

The individual policies and governance of MDBs should be discussed and decided by the boards of directors, which are made up of the member countries of each institution, so language that prejudges the outcome of discussions should be avoided.

Action 49(a) of the Pact for the Future merely outlines the general direction for future IDA replenishments but does not explicitly mention the further replenishment of concessional resources in general. Since replenishing concessional resources, such as IDA, AsDF, and AfDF, is to be discussed at each board, we should avoid any languages that preempt these discussions.

*The Pact for the Future, Action49 (a)*

*(a) Deliver a robust and impactful twenty-first replenishment of the International Develop­ment Association that includes contribu­tions and strong policy commitments from both new and existing donors that signifi­cantly increase the resources of the Associa­tion, and work towards establishing a path­way to significantly and sustainably increase the Association by the 2030 replenishment;*

**On 38 h),**

While Japan supports SDR-rechanneling through MDBs, a minimum number of participating countries is a prerequisite for its launch. In doing so, Japan believes that it is necessary not only to meet the number of countries, but also to satisfy various factors such as sufficient economic scale, and this discussion should not be conducted too quickly within the short deadline of 2025.

**On 38 j),**

The use of concessional funds should be limited for low income countries and vulnerable middle-income countries facing global challenges such as climate change and pandemics, not projects with positive externalities. Furthermore, as this sentence reiterates the call made in the Pact for the Future for MDBs, this sentence should be align with the original sentence as the Pact.

*Pact for the Future (September 2024)*

*Action 49*

*(e)Invite the multilateral development banks, in consultation with the Secretary-General, to present options and recommendations on new approaches to improve access to concessional finance for developing coun­tries, with full respect for the independent mandate and authorities of the respective governing body of each multilateral develop­ment bank and request the Secretary-Gener­al to update Member States on progress;*

**On 39,**

As climate and biodiversity are separate matters, we propose deleting 'in the same vein' from this paragraph.

**On 39 d),**

Although we recognize the need for climate finance for developing countries, we have concerns on this paragraph. As climate change is not only an issue for developing countries, and the issue of climate finance needs to be considered on global scale. Since the commitment of sufficient finance to developing countries alone will not solve global problems, careful description should be made.

**On 40,**

We believe that development effectiveness should be carefully monitored from the perspective of quality as well. Therefore, we propose to add < in terms of ensuring the quality of the effectiveness > at the end of this paragraph.

**On 40 a),**

Mutual accountability is one of the key principles of development effectiveness (GPEDC principles). It acknowledges that effective development requires not only commitments of development partners but also those of developing countries.

Thus, it is important to have a more balanced view in the following bullets and discuss the roles and responsibilities of developing countries such as focus on results and commitment to inclusive partnerships. The current points (b) and (c) primarily concerns development partners only.

**On 40 b),**

In general, technology (knowledge) transfer involves the transfer of intellectual property such as patents and trade secrets, and most of this intellectual property is owned by the private sector. Therefore, in order to prevent the forced transfer of private sector property, technology (knowledge) transfer should be conducted on voluntary and mutually agreed terms.

II-D International trade as an engine for development

**On 43,**

Please delete the sentence "Bilateral and regional trade agreements (RTAs) have added complexity and incoherence to the system, while obsolete investment agreements continue to restrict countries’ sustainable development policy space." for the following reasons:

(i) Members of the WTO are admitted to conclude RTAs under AEt.24 of GATT and Art. 5 of GATS since they can complement the Multilateral Trading System (MTS) and thus it is inappropriate to describe them as incoherent to the MTS;

(ii) Regarding investment agreements, it is inappropriate to mention them in the context of the MTS. Furthermore, the content is also misleading since investment agreements do not restrict sufficient policy space (it is possible to conclude investment agreements while maintaining sufficient policy space ).

Though this draft repeatedly criticize “trade measures which restrict or distort trade” such as tariffs and trade-related environmental measures, we have to bear in mind that these trade restrictive measures are taken in response to prevailing non-market policies and practices. Thus, it would be more appropriate to mention concerns over these non-market policies and practices as well, as a root-cause of the problems.

**On 43 b),**

In addition to Investment Facilitation for Development Agreement and the Agreement on Fishery Subsidies, Japan believes that the Agreement on Electronic Commerce should also be mentioned.

The texts on Fisheries Subsidies and IFDs both include the provision of technical assistance to developing countries, but since neither is yet in effect, it is not appropriate to treat 3 agreements uniformly with the expression “fully implement”.

As for “including through capacity building to developing countries,” Japan's position is that “cooperation based on needs” rather than capacity building is the Japanese principle.

Therefore, Japan's position is that “cooperation based on needs” rather than capacity building is Japan's principle, so “as necessary” should be inserted.

**On 43 c),**

This statement should not prejudge the way forward of DS reform as it has not been decided how to proceed on the DS reform in the WTO yet and this will be decided through the consultation process conducted by the General Council chair. Japan suggests that this statement could mention at maximum the concern over the reality that the reform has not been realized yet and request to the WTO for the realization as soon as possible.

As one of the important agenda items for MC14, Japan would like to reiterate the significance of achieving the renewal of the e-commerce moratorium.

**On 43 d),**

It is inappropriate to suggest strengthening or expanding special and differential treatment, as the current agreements already have provisions of S&DT.  We should rather discuss how to make the current provisions precise, effective and operational. In this regard, the language in this text should be aligned with that of WTO・MC13 outcome.

**On 43 g),**

Policy space( or any language suggesting uniform flexibility on the obligations in the WTO agreements or other trade agreements) should not be mentioned in this statement as applying uniform flexibility to all developing countries may rather end up harming the industrialization of many developing countries.

**On 43 h) and i),**

Please delete the sentence. Regarding investment agreements, it is inappropriate to mention them in the context of the MTS. Furthermore, the content is also misleading since investment agreements do not restrict sufficient policy space (it is possible to conclude investment agreements while maintaining sufficient policy space ).

**On 43 j),**

We have to bear in mind that these trade restrictive measures are taken in response to prevailing non-market policies and practices, thus, concerns over these non-market policies and practices should be mentioned as well, as a root-cause of the problems.

**On 44b),**

Japan believes that the concept of the free flow of data across borders is important for all, including actors in developing countries, as it could harness opportunities for them to engage actively in the global digital trade, thereby promoting inclusive and sustainable economic growth.

**On 44 d),**

We have strong concerns on para 44d, and we request to drop the languages related to risk weighting re-evaluation which implies the review of Basel Ⅲ.

We should not reopen discussions for Basel III framework at least until all major jurisdictions fully implement the Basel III framework since it is crucial to avoid another global financial crisis. The G20 and the Basel Committee on Banking Supervision repeatedly stated the importance of implementing all aspects of the Basel III Framework in full, consistently, as soon as possible. Given the current circumstances that some major jurisdictions are delayed in implementing the Basel III framework, we should refrain from reopening the discussion to avoid further delay.

Furthermore, the most important objective of the minimum capital requirements (Pillar 1) in the Basel framework is to increase banking sector’s resilience to avoid another financial crisis. Therefore, the risk ratings defined in the Basel framework should not be distorted for the sake of promoting any specific social or environmental objectives until the robust global financial stability is surely achieved.

**On 45,**

Though this paragraph contains some elements regarding LDC graduation, this issues is still under the discussions in WTO LDC Graduation Small Group and far from consensus, so it should not be prejudged or guided by this UN statement.

II-E Debt and debt sustainability

**On 47,**

We agree with the need to deliver debt treatment in a timely manner. However, we do not support the expression of “too little, too late restructurings.” Debt treatments have been structured to ensure debt sustainability of a borrowing country.

**On 48,**

While we support making further efforts for the objectives stated in the headline, we should avoid duplication with existing principles, guidelines, tools, etc. For instance, when developing a set of principles on responsible sovereign lending and borrowing in (a).

We do not support including standardized state-contingent clauses by all creditors mentioned in (d) as benefits for debtors and creditors are limited and SCDIs complicate the process for ensuring comparability of treatment among creditors.

**On 48 a),**

G20 and Paris club, playing an important role to address debt issues under the Common Framework supported by IMF and the World Bank, have developed the principles and guidelines for sovereign debt. Creating the working group in UN is overlapped with the existing forum.

**On 48 c),**

It is understood that IMF and World Bank are working to accumulate debt data. This debt data registry should be housed in the World Bank.

**On 49,**

The discussion on addressing the liquidity challenges should be aligned with the three pillar approach by the IMF and World Bank (a), which have particular expertise on this area. On SIDS DSSS, we would like to better understand about the proposal, especially with regards to source of financing for providing debt relief measures, before deciding our position.

We cannot agree to b) call for an institutional home within an existing facility..., since we are not aware of any existing facility that could provide support as stated.

**On 49 b),**

The debt restructuring coordinated by IIF is a significant reform of exiting framework of debt relief, and it seems necessary to consider the following two points as well:

In cases of the heavily indebted-countries or the countries where public debts consists of primarily debts from private creditors, the NPV-neutral reschedule by pfficial creditors may not provide debtors countries with sufficient fiscal space, and the subsequent debt rescheduling might be further complicated.

If the similar debt rescheduling is required to private creditors, considering the time-preference of the private creditors, it might cause difficulties to ensure the Comparability of Treatment between creditors. It is also important to avoid such debt instrument activating and triggering the cross-defaults across several agreements of the private creditors with sovereign claims.

**On 50,**

We do not agree with the point of “initiated too late and remain too slow and shallow.” In particular, “shallow” is incorrect because debt restructurings have been set to ensure debt sustainability.

The part of “The ad-hoc nature of debt resolution processes” is also misleading and incorrect. Debt restructuring requires case-by-case approach, while we already have well-established framework of debt restructuring under the G20 Common Framework.

**On 50 a),**

Given the time-consuming nature of debt service suspension and its potential for leading to default, as seen in the case of Ethiopia under Common Framework, we would suggest to explore alternative procedures that are more straightforward and legally binding, such as Moratorium, one of the option which could include simpler mechanisms endorsed by the creditor country.

We welcome a user manual for debtors with clear timelines and other guidelines, which would help to expedite the process of determining debt treatment.

As in a), we fully support efforts to improve implementation of the G20 Common Framework as a solution for debt crisis, based on the IMF and World Bank DSA as an anchor. Developing user manuals for debtors with clear timelines is a good example of constructive suggestions for such efforts.

On (b), we do not support a working group to develop a model law on debt restructuring. We do not see the legal system as a key impedement of debt restcturing, while it is not realistic to introduce the same law in various countries.

On (e), we do not support initiating an intergovernmental process at the United Nations for debt crisis resolution, as it will not be an effective solution for debt crisis. Instead, we should focus our efforts to improve the existing mechanism, particularly G20 Common Framework. For the UN process, it would be sufficient to repeat the language agreed in the Pact for the Future.

*[Reference: Pact for the Future, Global Digital Compact and Declaration on Future Generations]*

*ACTION 50 (b) Invite the International Monetary Fund to un­dertake a review of ways to strengthen and improve the sovereign debt architecture, building on existing international processes, in collaboration with the Secretary-General, the World Bank, the Group of 20 and major bilateral creditors, and debtors, and request that the Secretary-General update Member States on progress and present proposals on this issue;*

**On 50 (b),**

It is understood that World Bank are working to support the debt management capacity building for developping countries. Japan also supports the proper management of public finance, monetary and financial sector policies, and customs administrations to stabilize economies in developing countries and promote growth.

**On 51,**

Although we agree on the importance of promoting transparency and accuracy of credit ratings, the current draft seems to prejudge the challenges related to credit assessments. We need more precise and targeted analyses within relevant international organizations in order to understand the issues and consider ways to address them. We should avoid any commitments on enforcing consistent regulatory regimes for credit ratings before such reliable analyses.

II-F　 Addressing systemic issues

**On 53,**

With regard to both "Global economic governance" and "Global financial safety net", these issues should be discussed primarily at the Executive Board; the IMF’s own decision-making body, rather than through the UN process, to ensure that any decision making on these issues is based on proper process and representation, as well as relevant expertise on international finance and institutional setting of the IMF, including its historical background. The role of the UN is not to propose specific solution such as the ones described in paragraph 53 a)-d) and 54 (a)-(f), but to raise political momentum to empower the IMF to respond to member countries’ needs more effectively.

On paragraph 53 under the Global economic governance, we should not use the term “developing countries”, precisely because such term does not reflect “diversity and complexity of the world” as mentioned in the same paragraph. The dichotomy of developed and developing country mask a heterogeneous reality and making international community less sensitive and responsive to the real and acute needs of low-income and small vulnerable states. ies are no longer relevant in today’s world setting. What we should focus here is to make the global economic governance more responsive to the needs of low-income countries and small vulnerable states. Continuous use of an anachronic category such as “developing countries” will mask a heterogeneous reality of today’s world and making international community less sensitive and responsive to the real and acute needs of low-income and small vulnerable states.

**On 53 a) and b)**

Governance reform of IFIs should be discussed at the Board of each institution, ensuring that the unique nature of each institution, including its mandate, shareholding composition, and decision-making processes is fully considered. UN is not the subject who lead the reform of the international Financial Architecture. Also, we should not preempt these discussions.

**On 53 c),**

On the IMF governance issues, the IMF has already created the 25th chair to improve voice of Sub-Saharan Africa. Also, those issues should be primarily discussed at the IMF Executive Board, as a IMF’s own decision making body, rather than led by the UN process.

The IMF includes members from various areas and voice and representation issue should not limited to the Africa.

**On 54 a),**

While we agree on the need for the IMF to be able to effectively respond to shocks, these issues should primarily discussed at the IMF, the centre of the Global Financial Safety Net.

**On 54 b),**

The IMF's lending policy should be discussed and decided at the Executive Board, which is consisted of the members. In addition, the IMF's review of surcharge was completed in October 2024 with members' support.

**On 54 c),**

The IMF's lending policies should be discussed and decided at the Executive Board, which is consisted of the members.

**On 54 d) e),**

While we agree the need for discussions toward revamping the GFSN (Global Financial Safety Net) by reviewing the existing facility including through new issuance of SDRs in the context of global economic uncertainty, this discussion should be primarily discussed at the IMF as a core of the global financial safety net.

**On 55,**

Similar to para 51, this para seems to prejudge as if the current regulations for credit ratings are inappropriate. Although we welcome discussions to enhance the transparency and accuracy of ratings, we should avoid any language that implies the review of current regulatory frameworks before reliable analyses.

**On 56,**

We have strong concerns with this para and request to review it entirely. Regarding financial regulations, the expertise and ongoing work of relevant international fora should be respected, and we should be mindful not to impose any unintended consequences to financial stability. Let me share three points from this perspective:

For (a), we should not reopen discussions for Basel III framework at least until all major jurisdictions fully implement the Basel III framework. Again, given the current circumstances that some major jurisdictions are delayed in implementing the Basel III framework, we should refrain from reopening the discussion to avoid further delay eventually to avoid another financial crisis. In addition, it is unclear how the review of asset management industry relates to this topic.

For (b), the international organizations (e.g., BCBS) have already worked on climate-related issues with industry, academia, and other experts. Their ongoing discussions and analysis should be respected to avoid any duplicated efforts. Also, given that they are relatively emerging issues, we should not pre-empt conclusions before completing the thorough analyses from various perspectives, including the potential unintended consequences on the most vulnerable communities.

For (c), the Basel Committee on Banking Supervision (BCBS) from BIS, consisting of banking supervisory authorities and central banks, is the primary global standard setting body for the prudential regulation of banks and its unique mandate should be respected.

II-G　 Science, technology, innovation and capacity building

**On 59 c),**

In general, technology (knowledge) transfer involves the transfer of intellectual property such as patents and trade secrets, and most of this intellectual property is owned by the private sector. Therefore, in order to prevent the forced transfer of private sector property, technology (knowledge) transfer should be conducted on voluntary and mutually agreed terms.

In the absence of an internationally agreed common understanding of what is meant by the TRIPS flexibilities referred to here and how they contribute to innovation and sustainable development, it is not appropriate to list intellectual property regimes and TRIPS flexibilities in parallel.

The wording on TRIPS flexibilities should follow agreed language from the Doha Declaration (Paragraph 4). Specifically, it should say: “flexibility that the TRIPS Agreement provides.”

The proposed text is based on a biased perception that IP regimes are barriers to innovation and sustainable development. Therefore, it is necessary to modify the wording to avoid any wrong interpretation.

Technology transfer should be on voluntary and mutually agreed terms so it is necessary to add the VMAT wording before/after technology transfer.

III　 Data, monitoring and follow up

**On 65 b) vi,**

We should not be too descriptive about which institutions to invite unless we reach a broad agreement.

\*\*\*