**In put to the Zero draft: Outcome document of the Fourth International Conference on Financing for Development**

**Submitted by the NGO Committee on Financing for Development**

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| The paragraphs from the Zero draft to which alternate language suggestions or comments are being made: | | Alternative Suggestion (in green) | Comments/Rationale for proposed edit |
| I. A global financing framework | |  |  |
| A renewed global financing framework | |  |  |
| 1. At the national level, country-led financing strategies, plans and frameworks, such as Integrated National Financing Frameworks (INFFs), will be at the heart of our efforts. We commit to align international support to national strategies and plans and will coordinate our support through inclusive country-led platforms. We reiterate that each country has primary responsibility for its own economic and social development and that the role of national policies and development strategies cannot be overemphasized. At the same time, national development efforts need to be supported by an enabling international economic environment, including coherent and mutually supporting world trade, monetary and financial systems, and strengthened and enhanced global economic governance. | |  | Commitment to ‘coordinate support through inclusive country-led platforms is commendable. However, while noting that each country has primary responsibility for its own economic and social development, there is a need to strengthen global standards and norms so that national-level financing strategies, plans, and frameworks are accountable/inclusive to meet the needs of most vulnerable groups.  This may be done by enabling the international economic environment, including coherent and mutually supporting world trade, monetary and financial systems, and strengthened and enhanced global economic governance such as support for a UN Tax Convention |
| **9**.We recognize the contributions of multi-stakeholder engagement to sustainable development. We will continue to collaborate meaningfully with the private sector, civil society, the scientific community, academia, philanthropy and foundations, parliaments, local authorities, volunteers, the media, and other stakeholders and to encourage multi-stakeholder collaboration, partnerships, alliances and opportunities to support our efforts to achieve these commitments. | | 9. We recognize the contributions of multi-stakeholder engagement to sustainable development. We will continue to collaborate meaningfully with the private sector, civil society, the scientific community, academia, philanthropy and foundations, parliaments, local authorities, volunteers, the media, children and youth and other stakeholders and to encourage multi-stakeholder collaboration, partnerships, alliances and opportunities to support our efforts to achieve these commitments. | Rationale:  This addition is proposed to support the inclusion of vulnerable groups and sectors, |
| Realizing sustainable development | |  |  |
| 13**. 13.** We are deeply concerned by widening inequalities within and between countries and a further erosion of trust in international relations and the multilateral system. We will take action to combat inequalities within and among countries and pursue policies that stem the tide of rising inequality. | |  | While it is important to mention that countries will take action to combat inequalities within and among countries, it is absolutely necessary to specify the measures and policies that will achieve these efforts. It is essential to recall the Member States’ commitment to the principle of leaving no one behind and to recognize the additional disadvantages and barriers faced by vulnerable groups. There is also a strong case for pursuing evidence-based policies, such as increasing social protection coverage by two percentage points, aligned with the principles of equity, participation, and accountability. (See also commentary on point 15.) |
| **1414.** Underinvestment in critical social sectors threatens progress towards meeting the SDGs and exacerbates inequalities, including gender inequality. We commit to eradicate poverty in all its forms, including extreme poverty, reduce inequalities, and close financing gaps in the provision of essential public services, including health, education, energy, water and sanitation, and building social protection systems. | | **14.** Underinvestment in critical social sectors threatens progress towards meeting the SDGs and exacerbates inequalities, including gender inequality. We commit to eradicate poverty, in all its forms, including extreme poverty, reduce inequalities **and systems of social stratification**, **increase investments in critical social sectors by leveraging all sources of finance across humanitarian, development, and climate and** ~~close financing gaps,~~  **fully fund the universal** provision of essential public services, including health, education, **care,** energy, water and sanitation, and building social protection systems. | The mention of Social Protection in para 14 is well noted. This is a remarkable change from the Elements Paper. It is important to insert ‘social hierarchies/ systems of social stratification’ as critical social sectors along with gender inequality, which if not addressed through underinvestment threatens progress. The addition is also proposed to support the inclusion of vulnerable groups and sectors, |
| 15. **15.** We encourage all countries to provide nationally appropriate and fiscally sustainable social protection systems and measures for all, including floors, and fully integrate the financing of essential social spending into their medium-term development plans and INFFs. We call upon the international community to support countries in ensuring adequate and uninterrupted funding on appropriate terms of social protection and other essential social spending during shocks and crises. We welcome and encourage further efforts to strengthen the consideration of social protection and social spending in International Monetary Fund (IMF)-supported macroeconomic adjustment programmes. | | **15.** We **recommi**t ~~encourage all countries~~ to provide nationally appropriate and fiscally sustainable social protection systems and measures for all, including floors, and fully integrate the financing of all essential social spending into ~~their~~ **our** medium-term development plans and INFFs. We call upon the international community to support countries in ensuring adequate and uninterrupted funding on **sustainable** ~~appropriate~~ terms of social protection and other essential social spending during shocks and crises. We ~~welcome and encourage~~ **pledge** further efforts **to ensure full provision of** ~~strengthen the consideration of~~ social protection and **other** social spending in International Monetary Fund (IMF)-supported macroeconomic adjustment programmes. | Social protection systems and measures for All is well noted. However, it is also essential to emphasize that social protection systems must involve targeted allocations aligned with the following principles:   1. Equity – Introduce social protection floors with a minimum core obligation to disadvantaged groups, particularly those facing greater constraints in exercising their rights due to persistent poverty, vulnerabilities, and structural discrimination, such as social hierarchies. 2. Participation – The involvement of affected individuals in policy development is essential to ensure meaningful outcomes. 3. Accessibility and Availability – Social protection measures must be designed to reach disadvantaged groups effectively. 4. Accountability – State Parties must demonstrate, through budget allocations and expenditures, the steps they are taking toward meeting the SDG targets. Progressive realization requires continuous movement toward the next milestone on the path to full implementation.   (The ILO paper on increasing social protection coverage of at least one health benefit globally by 2 percentage points is a good practical first step, with incremental progress subsequently fulfilling this policy completely) |
| 1**616**. We commend the important contributions that young people are already making to the advancement of sustainable development. We reaffirm our commitment to foster innovation and entrepreneurship among young people, including through financial literacy and digital capacity building to enhance their contributions. | | **16.** We reaffirm our commitment to fostering innovation and entrepreneurship among young people through financial literacy and digital capacity building to enhance their contributions. **We also strive to strengthen youth participation in decision-making at all levels and improve systems to ensure greater diversity, representativeness, preparedness, and funding for meaningful youth engagement.** | FfD4 should prioritize mainstreaming youth in policy formulation and decision-making, as emphasized in the Secretary-General’s report, Our Common Agenda. Effectively addressing the significant challenges in financing for development requires not only better decision-making but also restoring trust in public institutions, especially at a time when the stakes for people and the planet have never been higher, and social cohesion is at risk. Young people must be actively engaged in shaping policies and empowered to drive solutions forward. |
| **1919.** Achieving gender equality and empowering women and girls are essential to meeting all SDGs and are an essential prerequisite to sustainable development. Gender equality and the empowerment of women brings proven economic benefits and has the potential to contribute to financing for development. To this end, we stress that financing for sustainable development should integrate a gender perspective and acknowledge the importance of an intersectional approach. We commit to gender-responsive solutions across the economic, social and environmental dimensions of sustainable development. We will mainstream gender equality considerations in fiscal policies and development financing, including through prioritizing gender responsive investments and introducing incentives to address gender disparities. We will increase investment in the care economy and recognize, value, and equitably redistribute the disproportionate share of unpaid care and domestic work done by women. | | **19.** Achieving gender equality and empowering women and girls are essential to meeting all SDGs and are an essential prerequisite to sustainable development. Gender equality and the empowerment of women brings proven economic benefits and has the potential to contribute to financing for development. To this end, we stress that financing for sustainable development should integrate a gender perspective and acknowledge the importance of an intersectional approach. We commit to gender-responsive solutions across the economic, social and environmental dimensions of sustainable development. We will mainstream gender equality considerations in fiscal policies and development financing, including through prioritizing gender responsive investments and introducing incentives to address gender disparities. We will increase investment in the care economy and recognize, value, and equitably redistribute the disproportionate share of unpaid care and domestic work done by women. **This must be accompanied by gender-responsive social protection supported by a care infrastructure as well as legally binding social protection floors that guarantee universal access to climate-resilient housing, healthcare, and income security.** | Social Protection as a Climate Justice Issue – This broadens protection mechanisms to ensure structural support for climate-affected workers and communities. |
| **20.** Investing in productive sectors and the creation of decent and productive jobs are vital to ensure that all people benefit from inclusive and sustainable economic growth. We will promote efforts to encourage entrepreneurship, particularly among women and youth, and facilitate the growth of micro, small and medium enterprises (MSMEs) through increased access to affordable finance and skills development. Special attention should be given to support women-owned and women-led businesses. | | … **20**. Investing in productive sectors and the creation of decent and productive jobs are vital to ensure that all people benefit from inclusive and sustainable economic growth. We will promote efforts to encourage entrepreneurship, particularly among women ~~and~~ youth, **and children** and facilitate the growth of micro, small and medium enterprises (MSMEs) through increased access to affordable finance and skills development. Special attention should be given to support women-owned and women-led businesses. | Children are a vulnerable group and also distinct from youth, as the Pact for the Future recognizes. |
| **22.** Climate change is one of the greatest challenges of our time, but we are falling short of attaining climate goals.  Climate change adversely affects sustainable development globally as it exacerbates disasters and extreme weather events. We will take urgent actions to adapt to and build resilience against climate impacts, improve access to climate finance, provide new and additional financial resources, and facilitate the transfer of technology to address the global climate change challenge. | | **22.** Climate change is one of the greatest challenges of our time, but we are falling short of attaining climate goals.  Climate change adversely affects sustainable development worldwide, exacerbating disasters and extreme weather events. **The risks posed by climate change have not been fully accounted for in financial projects, particularly the extreme dangers posed by global tipping points, which could disrupt projected global growth.** We will take urgent actions to adapt to and build resilience against climate impacts, improve access to climate finance, provide new and additional financial resources, and facilitate the transfer of technology to address the global climate change challenge. **Additionally, public finance systems, including the IMF and MDBs, must scale their programs and resources to meet the financial challenges climate change will bring**. | Climate change poses a profound risk to global financial stability, yet its full impact—especially the dangers of tipping points—remains inadequately accounted for in financial projections. The Planetary Solvency report by the University of Exeter and the Faculty of Actuaries warns that unchecked climate risks could cut global GDP by over 50%, with catastrophic consequences for finance, insurance, public investment, and government debt.Given the systemic nature of this threat, urgent reforms to international financial systems are needed to ensure resilience and the ability to finance global goals. Public finance, including mechanisms like SDR issuance with appropriate controls, must be scaled to meet climate finance needs for mitigation, adaptation, loss and damage.Effective policy and technology must work in harmony to enable accurate measurement, reporting, and validation of climate commitments, ensuring accountability for each nation’s land, Exclusive Economic Zone (EEZ), and the global commons, including the high seas. |
| **23**. Biodiversity is fundamental to the systems underpinning life and good quality of life and many of these systems are now at risk. We will scale up the provision and mobilization of biodiversity finance for conserving, protecting and restoring nature and ecosystems, including ocean preservation. | | 23. Biodiversity is fundamental to the systems underpinning life and good quality of life and many of these systems are now at risk. We will scale up the provision and mobilization of biodiversity finance, incorporate Natural Capital Accounting into financial reporting, and allocate public funds beyond GDP metrics to conserve, protect, and restore nature and ecosystems, including ocean preservation. | We are facing the 6th Great Extinction, and our well-being is closely tied to habitat preservation, which reduces pandemic risks and provides renewable resources for economic growth. The Cumming Montreal Agreement sets a global biodiversity goal, with nations committing to preserve 30% of lands and waters, including ocean EEZ zones, creating a global common good that benefits human and ecological health. The Biodiversity Beyond National Jurisdiction (BBNJ) initiative supports ocean conservation and contributes to preventing the ongoing extinction crisis.  To achieve these goals, we can implement regenerative circular economies through integrated policies, supported by GIS and innovative technologies, facilitating effective planning and financing among governments, the private sector, and civil society.  Incorporating Natural Capital Accounting into financial reporting is essential for managing resources, ensuring financial stability, and meeting conservation targets. Public funds should be allocated beyond GDP metrics to maintain planetary solvency, protect ecosystems, and promote sustainable development. Additionally, scaling up biodiversity finance, including mechanisms like Green and Blue Bonds, debt-for-nature swaps, and other financial instruments, is crucial for conserving and restoring nature, with a focus on ocean preservation. |
| II. **II. A. Domestic public resources** | |  |  |
| Fiscal systems and alignment with sustainable development | |  |  |
| **29.** Fiscal systems – both tax and expenditure – are critical to financing public goods. Low growth, inadequate tax reform, informality, leakages and capacity constraints have led to stagnation, and in some cases setbacks in raising revenues in recent years. On the expenditure side, public spending is often hampered by opacity, inefficiency and fiscal constraints and is not sufficiently aligned with sustainable development, and many fiscal systems are yet to take gender and climate considerations into account. Enhancing fiscal systems through strengthened governance, progressivity in tax policies, transparent budgeting and capacity development will strengthen trust between governments and the people who benefit from public goods and social services. | | **29.** Fiscal systems – both tax and expenditure – are critical to financing public goods. Low growth, inadequate tax reform, informality, leakages and capacity constraints have led to stagnation, and in some cases setbacks in raising revenues in recent years. On the expenditure side, public spending is often hampered by opacity, inefficiency and fiscal constraints and is not sufficiently aligned with sustainable development, and many fiscal systems are yet to take gender, social vulnerability, and climate considerations into account. Enhancing fiscal systems through strengthened governance, progressivity in tax policies, transparent budgeting and capacity development will strengthen trust between governments and the people who benefit from public goods and social services | Rationale:  * By emphasizing gender, social vulnerability, and climate considerations, the revised paragraph ensures that fiscal policies are responsive to the needs of those most affected by poverty and inequality. This better aligns fiscal systems with sustainable development goals (SDGs), which prioritize inclusivity. * The addition of social vulnerability highlights the broader context of fiscal reform, making it clear that tax and expenditure policies should consider multiple dimensions of inequality, not just gender and environmental factors. |
| Transparency and accountability in fiscal systems | |  |  |
| Alignment of fiscal systems with sustainable development **29. g)** We encourage the use of environmental and climate considerations in fiscal programming in line with national circumstances. Options include green budgeting, taxation and fiscal rules, carbon pricing, and taxes on environmental contamination and pollution. | | **29. g)** We encourage the use of environmental and climate considerations in fiscal programming in line with national circumstances. Options include green budgeting, taxation and fiscal rules, carbon pricing, and taxes on environmental contamination and pollution**. In addition, we urge the implementation of climate-responsive taxation frameworks that ensure polluters pay while prioritizing equity, ensuring that these measures do not disproportionately impact low-income and historically marginalized communities."** | **Equity in Fiscal Systems** – This proposed edit strengthens the **justice focus** of fiscal policies, ensuring carbon pricing and taxation **do not burden vulnerable populations d**isproportionately. |
| II. B. Domestic and international private business and finance | |  |  |
| Summary (key takeaways in the thematic section in bullet points) | |  |  |
| **33.** Private business activity, investment, and innovation are major drivers of sustainable development, economic growth, and job creation. Evidence shows that increasing women’s active participation in the workforce and in leadership positions can drive significant economic growth and foster sustainable development. To realize its potential, private activity needs to be dynamic, inclusive, risk-informed and sustainable. However, private investment in sustainable development has not met expectations, which has contributed to a widening SDG investment gap. While there is growing interest by the private sector in sustainable development, investment remains hampered by high financing costs in developing countries, and by misalignment between returns on investment and development needs. Capital markets often remain short-term oriented and volatile, with short-term financial returns not aligned with long-term public benefit. This underlines the need for systemic change at both national and global levels. | | **33**. Private business activity, investment, and innovation are major drivers of sustainable development, economic growth, and job creation. Evidence shows that increasing **active participation of women** in the workforce and in leadership positions can drive significant economic growth and foster sustainable development. To realize its potential, private activity needs to be **equitable**, dynamic, inclusive, risk-informed and sustainable. However, private investment in sustainable development has not met expectations, which has contributed to a widening SDG investment gap, disproportionately affecting **vulnerable and marginalized communities, including women, youth, and smallholder farmers.** While there is growing interest by the private sector in sustainable development, investment remains hampered by high financing costs in developing countries, and **by a persistent** misalignment between returns on investment and development needs. Capital markets often remain short-term oriented and volatile, with short-term financial returns not aligned with long-term public benefit. This underlines the need for **urgent and transformative** systemic change at both national and global levels **to ensure that private sector engagement truly advances sustainable development for all, including women-led businesses and enterprises.** | Rationale:  * The addition of "equitable" in describing private sector activity ensures that investment and economic growth benefit all populations, particularly those historically marginalized in financial and economic systems. * The proposed edit to include “vulnerable and marginalized communities, including women, youth, and smallholder farmers” underscores the uneven consequences of underinvestment and aligns with commitments to inclusivity and leaving no one behind. * The phrase *"urgent and transformative systemic change"* reinforces the need for immediate and bold reforms rather than incremental adjustments. * The last proposed edit explicitly highlights the need for private sector policies that support women entrepreneurs, ensuring gender-responsive economic development. |
| Domestic financial sector development, enabling environments and access to financing | |  |  | |
| **34.** There is a significant need to further leverage the contribution of the private sector to achieve sustainable development. There has been progress in developing transparent, stable, and predictable investment climates at the national level, but more needs to be done. This includes enhancing enabling environments for business and investment to promote alignment with sustainable development. | | **34.** There is a significant need to further leverage the contribution of the private sector to achieve sustainable development. There has been progress in developing transparent, stable, and predictable investment climates at the national level, but **these gains remain uneven, particularly in developing economies**. This includes enhancing enabling environments for business, investments **and reskilling the workforce** **to drive inclusive economic growth and** promote alignment with sustainable development. | Rationale:   * Edit 1 emphasizes the need for more focused efforts in developing countries to address disparities and ensure that all regions benefit from private sector contributions to sustainable development. * The addition of *"reskilling the workforce"* broadens the scope of the enabling environment to include human capital development. * By specifically mentioning *"inclusive economic growth"*, emphasizes that the goal is not just economic growth, but one that benefits all segments of society, including marginalized and vulnerable groups, aligning with the principles of equity and social inclusion in sustainable development. | |
| Domestic financial sector development and enabling environments  1. **a)** We will promote a sequential approach to developing domestic financial sectors, including building a domestic savings base, starting with the domestic banking sector, savings banks and/or cooperative banks, followed by expanding long-term bond and insurance markets as well as equity markets and institutional investment, as appropriate, including building secondary markets. 2. We will promote policy frameworks that create enabling environments for investment in sustainable development. We encourage further efforts to improve the business enabling environment, including through enhanced transparency, good governance, anti-corruption measures, the rule of law, investor and consumer protection, fair competition, and aligning these with sustainable development. We encourage the development of a model framework towards this end. 3. We will promote the creation of new domestic investment vehicles, such as development-oriented venture capital funds, and innovative financial instruments, including thematic bonds (e.g. use-of proceeds bonds like green, social, sustainability, and SDG bonds, as well as sustainability-linked bonds), with sound regulatory frameworks and adequate risk management. 4. We call upon relevant actors to develop comprehensive risk management and insurance markets, and in particular to develop solutions for smallholder and women farmers and other stakeholders to protect against production risks, price volatility, and climate change impacts. 5. We will support demand-driven technical assistance and capacity development programmes for domestic financial sector development aligned with this approach, particularly for countries in special situations. We call on MDBs to assist developing countries in fostering business-friendly environments for sustainable development that enable enterprises to thrive, expand across borders, and attract private capital. | | 1. **a)** We will promote a sequential approach to developing domestic financial sectors, including building a **resilient** domestic savings base, starting with the domestic banking sector, savings banks and/or cooperative banks, followed by expanding long-term bond and insurance markets as well as equity markets and institutional investment, as appropriate, including building secondary markets **that serve diverse populations, including low-income and marginalized groups.** 2. We will promote policy frameworks that create enabling environments for investment in sustainable development. We encourage further efforts to improve the business enabling environment, including through enhanced transparency, good governance, anti-corruption measures, and the rule of law, **particularly in regard to the protection of intellectual property rights**, investor and consumer protection, fair competition, **while ensuring these measures are accessible and beneficial to women and marginalized communities, particularly women entrepreneurs and women-led enterprises**. and aligning these with sustainable development. We encourage the development of a **globally coordinated** model framework towards this end. 3. We will promote the creation of new domestic investment vehicles, such as development-oriented venture capital funds, and innovative financial instruments, including thematic bonds (e.g. use-of-proceeds bonds like green, social, sustainability, and SDG bonds, as well as sustainability-linked bonds), with **strong safeguards to ensure inclusivity, accessibility, and direct impact on vulnerable communities** with sound regulatory frameworks, adequate risk management, **and efficient and transparent dispute resolution.** 4. We call upon relevant actors to develop comprehensive risk **assessment and** management and insurance markets, and in particular to develop **affordable and accessible** solutions for smallholder and women farmers and other stakeholders to protect against production risks, price volatility, and climate change impacts **that threaten food security and economic resilience**. 5. We will support demand-driven technical assistance and capacity development programmes for domestic financial sector development aligned with this approach, particularly for countries in special situations, be more specific here. We call on MDBs to assist developing countries in fostering business-friendly environments for sustainable development that enable enterprises to thrive, expand across borders, and attract private capital **while ensuring these efforts are inclusive and equitable for all, particularly women, women-led businesses, and marginalized communities**. | Rationale:  * Adding "resilient " highlights the need for financial stability and the capacity to endure economic shocks, both of which are essential for sustainable development. * The revised version ensures that secondary markets are designed to serve *diverse populations, including low-income and marginalized groups*. This aligns with financial inclusion goals, ensuring that economic growth benefits all segments of society rather than just affluent investors.  Rationale:  * The revised version explicitly ensures that policies and frameworks benefit women and marginalized communities, particularly women entrepreneurs and women-led enterprises. This aligns with global commitments to gender equality and economic empowerment. * The addition of intellectual property (IP) rights protection highlights the importance of fostering innovation, attracting investment, and safeguarding creators, which is crucial for sustainable economic growth. * The phrase *"globally coordinated model framework"* strengthens the call for a unified approach, promoting consistency across countries and fostering international collaboration.   **Rationale:**  This edit is to ensure that investment vehicles prioritize inclusivity and accessibility, particularly for vulnerable communities, making sure that financial instruments have a direct positive impact on these groups. The addition of *"strong safeguards to ensure inclusivity, accessibility, and direct impact on vulnerable communities"* reinforces the commitment to equitable development. Furthermore, including *"efficient and transparent dispute resolution"* emphasizes the need for mechanisms that ensure accountability, trust, and fair treatment in these financial systems.  **Rationale:**  The proposed edit is to emphasize the accessibility and affordability of solutions for vulnerable groups, such as smallholder and women farmers. By adding "affordable and accessible solutions", the revision ensures that these communities have practical means to mitigate risks. Additionally, including "that threaten food security and economic resilience" highlights the broader implications of climate change and economic challenges, underscoring the need for risk management solutions that specifically protect against critical issues affecting livelihoods and well-being.  **Rationale:**  The rationale for the edit is to add specificity by explicitly including women, women-led businesses, and marginalized communities, ensuring that capacity development and business-friendly environments are inclusive and equitable. This ensures that development efforts benefit all segments of society, particularly those most vulnerable or underserved, aligning with principles of equity and inclusion. |
| Access to financing, remittances, and correspondent banking relationships  1. We will promote MSMEs’ access to affordable credit through strengthening the MSME ecosystem, including the local banking sector, as well as capacity building, and enhance local currency financing for MSMEs. We also call for a review of the possible unintended consequences of regulatory and prudential frameworks on MSME lending in developing countries and explore the use of MSME carve-outs. 2. We resolve to expand access to financial services, particularly for women and marginalized groups, while recognizing that financial access is just one aspect of financial health and complementary efforts are needed, including strengthening consumer protection, financial literacy, and regulation.      1. We will also leverage emerging digital technologies, including digital public infrastructure, to deepen financial inclusion, and support investments in development and digitalization of financial system infrastructure in developing countries, particularly in countries in special situations. 2. We resolve to redouble our efforts to reduce remittance costs to less than 3 percent of amounts transferred by 2030, including by promoting digital remittance solutions, competition among money transfer operators, transparency requirements for fees and commissions charged, accelerating access to transaction accounts for migrants, and by working with relevant actors to harmonize regulatory frameworks and ensure a proportionate application of regulations on private money flows. We will also strengthen remittance data collection and dissemination.  We call upon relevant institutions to support correspondent banking relationships through technical assistance programs to countries in need, building on existing global efforts. | | **f)** We will promote MSMEs’ access to affordable credit through strengthening the MSME ecosystem, including the local banking sector, as well as capacity building, and enhance local currency financing for MSMEs. **Recognizing the gender gap in financial access, we will promote specific policies and initiatives that expand financing opportunities for women-owned MSMEs.** We also call for a review of the possible unintended consequences of regulatory and prudential frameworks on MSME lending in developing countries **to prevent exacerbating financial exclusion** and explore the use of MSME carve-outs.  **g)** We resolve to expand access to financial services, particularly for women and marginalized groups, while recognizing that financial access is just one aspect of financial health. Holistic, **inclusive financial policies** are needed, including strengthening consumer protection, financial literacy, and regulation, **while ensuring these initiatives reach the most underserved populations.**   1. We will also leverage emerging digital technologies, including digital public infrastructure, to deepen financial inclusion, **redress existing structural biases and prejudicial practices,** and support investments in **affordable and accessible** development and digitalization of financial system infrastructure in developing countries, particularly in countries in special situations. 2. We resolve to redouble our efforts to reduce remittance costs to less than 3 per cent of amounts transferred by 2030, including by promoting digital remittance solutions, increasing competition among money transfer operators, **strengthening consumer protections for migrant workers,** transparency requirements for fees and commissions charged, accelerating access to transaction accounts for migrants,and by working with relevant actors to harmonize regulatory frameworks and ensure a proportionate application of regulations on private money flows. We will also strengthen **improve and expand** remittance data collection and dissemination **ensuring gender-disaggregated data collection to track challenges faced by women in remittance transfers.**  j) We call upon relevant institutions to support correspondent banking relationships through technical assistance programs to countries in need, building on existing global efforts, while ensuring that such assistance is equitably distributed and prioritizes underserved regions. | Rationale: The edit explicitly **addresses the gender gap** in financial access, promotes **women-owned MSMEs**, and calls for a **review of regulatory frameworks** to prevent unintentional financial exclusion while exploring **MSME carve-outs** as a solution. Rationale:  * The edit strengthens the commitment to inclusive financial policies by explicitly framing financial health as more than just access, emphasizing consumer protection, financial literacy, and regulation. * It enhances equity by ensuring that initiatives specifically target the most underserved populations, reinforcing the focus on marginalized groups.  Rationale:The addition of "redress existing structural biases and prejudicial practices" highlights the need to address systemic inequities in digital financial systems that may exclude marginalized populations.Including "affordable and accessible" ensures that financial system infrastructure investments prioritize inclusivity, making digital financial services truly beneficial for underserved communities in developing countries.Rationale:Strengthening consumer protections for migrant workers ensures fair treatment, safeguards against exploitation, and enhances the security of remittance transactions.Expanding remittance data collection, including gender-disaggregated data, helps track and address specific challenges faced by women in remittance transfers, promoting more equitable financial inclusion.Rationale: The inclusion of **"equitable distribution"** and **"prioritizing underserved regions"** ensures that technical assistance for correspondent banking relationships reaches those areas most in need, addressing regional disparities and promoting inclusive financial access. |
| Foreign direct investment and private capital mobilization for sustainable development | |  |  |
| **35.**Private capital mobilization for sustainable development impact  1. We will strengthen efforts to facilitate diaspora investment through innovative instruments and call on relevant investment agencies to support such efforts. 2. We call for blended finance initiatives to focus on sustainable development impact, rather than on quantity or degree of leverage alone. To this end, we call for all blended finance transactions to be aligned with national sustainable development priorities and industrialization strategies, and promote country ownership; ensure financial and developmental additionality; share risk and rewards fairly; be transparent and have clear accountability mechanisms; include participation of local communities in decisions affecting their communities; and take into account debt sustainability. 3. We invite public development banks to harmonize and strengthen impact metrics as a basis for mobilization targets, building on on-going work, and to align incentives with maximizing sustainable development impact. 4. We support efforts towards the standardization of blended finance instruments to create effective and replicable structures for different country contexts. We further support utilizing innovative structures in blended finance, including equity instruments, to ensure that both risk and rewards are shared fairly between the public and private sector. 5. We call on the International Finance Corporation to scale up the use of the International Development Association Private Sector Window, including through increased local currency lending, and enhance private equity, venture capital, and microfinance ecosystems to support MSME growth, economic diversification, and the creation of quality jobs for inclusive and resilient growth. 6. We call on MDBs to establish pools of catalytic capital seeded by development banks, development finance institutions, foundations and philanthropies, with standardized, simplified and transparent access requirements. We support the development of repositories of guarantee instruments, building on the World Bank Guarantee Platform.   **l)** We commit to further improve the availability, quality and accessibility of data to support additional investments in developing countries, including by working with institutional investors. We encourage the further release of quality disaggregated data, including from the Global Emerging Market Risk Database. | | **c)** We will strengthen efforts to facilitate diaspora investment through innovative instruments and call on relevant investment agencies to support such efforts **while ensuring accessibility for lower-income diaspora investors.**  **d)**We call for blended finance initiatives to focus on sustainable development impact, rather than on quantity or degree of leverage alone. To this end, we call for all blended finance transactions to be aligned with national sustainable development priorities and industrialization strategies, and promote country ownership; ensure financial and developmental additionality; share risk and rewards fairly; be transparent and have clear accountability mechanisms; **integrate social equity considerations**; include participation of local communities in decisions affecting their communities; and take into account debt sustainability.  **e)** We invite public development banks to harmonize and strengthen impact metrics as a basis for mobilization targets, building on on-going work, and to align incentives with maximizing sustainable development impact **while ensuring that these frameworks reflect the realities of developing economies and marginalized communities.**  **f)** We support efforts towards the standardization of blended finance instruments to create effective and replicable structures for different country contexts. We further support utilizing innovative structures in blended finance, including equity instruments, to ensure that both risk and rewards are shared fairly between the public and private sector **and that financial mechanisms are designed to be accessible to small and medium-sized enterprises, cooperatives, and social enterprises.**  **g)** We call on the International Finance Corporation to scale up the use of the International Development Association Private Sector Window, including through increased local currency lending, and enhance private equity, venture capital, and microfinance ecosystems to support MSME growth, economic diversification, and the creation of ~~quality jobs for inclusive and resilient growth.~~ **decent, inclusive, and equitable** jobs for **broad-based** resilient growth.  **h)** We call on MDBs to establish pools of catalytic capital seeded by development banks, development finance institutions, foundations and philanthropies, with standardized, simplified and transparent access requirements. We support the development of repositories of guarantee instruments, building on the World Bank Guarantee Platform **while ensuring these guarantees are accessible to small-scale enterprises and community-driven initiatives**.  **l) We** commit to further improve the availability, quality and accessibility of data to support additional investments in developing countries, including by working with institutional investors **to ensure transparency and inclusivity in data collection and use**. We encourage the further release of quality disaggregated data, including from the Global Emerging Market Risk Database **with a focus on gender, income, and geographic disparities**. | Rationale:  This edit is to emphasize inclusivity by ensuring that diaspora investment efforts are accessible to lower-income individuals within diaspora communities. This addition highlights the need for equitable opportunities, ensuring that all members, regardless of income, can participate in and benefit from investment initiatives, aligning with broader goals of economic inclusion and reducing financial disparities.  Rationale:  The change incorporates "social equity considerations" to ensure blended finance initiatives address not only economic but also social inequalities, promoting inclusive growth and benefiting marginalized groups in development efforts.  Rationale:  The change adds a focus on ensuring that impact metrics and frameworks consider the specific challenges faced by developing economies and marginalized communities, promoting more inclusive and context-sensitive approaches to sustainable development.  Rationale:  The change emphasizes the need for financial mechanisms in blended finance to be designed with inclusivity in mind, ensuring that small and medium-sized enterprises, cooperatives, and social enterprises have access to these opportunities. This aligns with the goal of promoting broader participation and fostering inclusive economic growth.  Rationale:  The change emphasizes the creation of "decent, inclusive, and equitable jobs," shifting the focus from simply quality jobs to jobs that are inclusive and equitable, ensuring that the growth benefits reach diverse communities. This aligns with broader goals of promoting social inclusion and equity within economic growth, particularly in MSME development.  Rationale:   * The proposed change ensures catalytic capital and guarantees are accessible to small enterprises and community initiatives, promoting inclusive growth. * Expands access to financial tools, supporting grassroots development and local participation.   **Rationale:**   * Ensures transparency and inclusivity in data collection, focusing on gender, income, and geographic disparities. * Aims to provide a comprehensive understanding of challenges in developing countries, guiding investments to reduce inequalities. |
| Alignment of private business and finance with sustainable development | |  |  |
| **36.** Sustainable business and finance legislation  1. We will align regulatory frameworks to accelerate and mainstream sustainable business behavior and adopt sustainable business and finance legislation that is country-led and context-specific, supported by capacity building for developing countries. We call for the adoption of national sustainable finance mobilization strategies, integrated into national financing frameworks. We urge regulators to promote transition planning for financial institutions, aligned with national pathways and global targets. | | **d)** We will align regulatory frameworks to accelerate and mainstream sustainable business behavior and adopt sustainable business and finance legislation that is country-led and context-specific, supported by capacity building for developing countries **to address technical and financial barriers**. We call for the adoption of national sustainable finance mobilization strategies, integrated into national financing frameworks. We urge regulators to promote transition planning for financial institutions, aligned with national pathways and global targets. | Rationale:  * Emphasizes addressing technical and financial barriers faced by developing countries in adopting sustainable business practices. * Ensures that capacity building is included to help developing nations effectively participate in global sustainability efforts. |
| II. C. International development cooperation | |  |  |
| **39. a)** In accordance with the decision at the 29th Conference of Parties (COP) of the UNFCCC, we recognize the call on all actors to work together to enable the scaling up of financing to developing countries for climate action from all public and private sources to at least $1.3 trillion per year by 2035. We also recognize the goal of at least $300 billion per year by 2035 for developing country Parties for climate action, with developed country Parties taking the lead. We encourage developing country Parties to make contributions, including through south-south cooperation, on a voluntary basis.   1. We will enhance the effective mobilization of new and additional grant-based or highly concessional finance and non-debt creating instruments for just and equitable transitions, biodiversity conservation, and restoration, supported by a strengthened international financial architecture to meet agreed targets.   **c)**We decide to urgently scale up contributions to the Loss and Damage Fund to respond to the increased scale and frequency of loss and damage, and ensure inclusive design and equitable allocation of funding both at national and sub-national levels in developing countries that are particularly vulnerable to the adverse effects of climate change in responding to loss and damage.  **d)** We commit to ensure that developing countries that are particularly vulnerable to the adverse impacts of climate change receive sufficient climate finance to support mitigation, adaptation and resilience-building, including via financing instruments (e.g. carbon finance, risk insurance, catastrophe bonds, climate resilience funds, and debt swaps) that can adequately respond to their needs and priorities, including ocean and mountain economies, and commit to increase capacity building at the country level to access climate finance. e) We encourage multilateral and vertical climate and environmental funds to enhance alignment with national needs and priorities; harmonize and simplify application and execution requirements, eligibility criteria and administrative procedures; remove access barriers for developing countries; enhance cooperation with MDBs and national development institutions; and encourage use of domestic implementation agencies.To reduce fragmentation, we agree to incorporate new climate and environment finance initiatives within well-functioning existing structures and organisations rather than creating additional entities and to consider consolidating existing climate and environment finance initiatives, and we urge donor countries to concentrate their contributions in climate funds under the UNFCCC. | | 1. **a)** In accordance with the decision at the 29th Conference of Parties (COP) of the UNFCCC, we recognize the call on all actors to work together to enable the scaling up of financing to developing countries for climate action from all public and private sources. **We commit to ensuring the mobilization of** at least $1.3 trillion per year by 2035 in **predictable, accessible, and additional** **climate finance** for developing country Parties, including a dedicated $300 billion annually. **Developed countries must lead in fulfilling their obligations, while South-South cooperation will play a complementary, but not substitutive role in climate action financing."**   **b)**We commit to significantly **increasing the share of grant-based climate finance**, ensuring that developing countries receive resources without **increasing their debt burdens**. This must be coupled with **structural reforms in the international financial system** to enhance accessibility, reduce procedural complexities, and ensure **timely disbursement** of climate funds."  ​  **c)** *"*We will **rapidly operationalize** and **expand contributions** to the Loss and Damage Fund, ensuring financing is **needs-based, grant-based, and delivered without administrative delays**. Governance mechanisms will be strengthened to ensure **transparency, accountability, and prioritization of the most vulnerable communities**."  **d)** "We commit to ensure that developing countries that are particularly vulnerable to the adverse impacts of climate change receive sufficient climate finance to support mitigation, adaptation, and resilience-building including via financing instruments (e.g. carbon finance, risk insurance, catastrophe bonds, climate resilience funds, and debt swaps) that can adequately respond to their needs and priorities, including ocean and mountain economies, and commit to increase capacity building at the country level to access climate finance.  **This includes ensuring that frontline communities, Indigenous groups, and youth-led climate initiatives have direct access to funding, and that participatory decision-making structures are embedded within climate finance governance frameworks."**  **e)** We encourage multilateral and vertical climate and environmental funds to enhance alignment with national needs and priorities; harmonize and simplify application and execution requirements, eligibility criteria and administrative procedures; ~~remove access barriers for developing countries;~~ enhance cooperation with MDBs and national development institutions; and encourage use of domestic implementation agencies. **We call for a fundamental reform of climate finance mechanisms to eliminate access barriers, simplify application procedures, and ensure funds are directly accessible to recipient countries without excessive reliance on intermediaries** To reduce fragmentation, we agree to incorporate new climate and environment finance initiatives within well-functioning existing structures and organisations rather than creating additional entities and to consider consolidating existing climate and environment finance initiatives, **. Donor nations must fulfill their commitments under the UNFCCC and Paris Agreement, ensuring climate finance is predictable, transparent, and disbursed efficiently."** | Rationale:  * Strengthens predictability and accessibility of climate finance. * Emphasizes the obligations of developed countries rather than framing their role as merely "taking the lead." * Ensures South-South cooperation is complementary, not replacing developed countries' commitments.  Rationale:  * Shifts focus towards **grants instead of loans**, preventing **further debt accumulation**. * Highlights the need for **reform in financial mechanisms** to make climate finance more effective. * Addresses **challenges of delays in disbursement**, which undermine climate action.  Rationale:  * Emphasizes the need for **speedy and effective deployment** of funds. * Clarifies that **grants should be prioritized** instead of loans. * Calls for **transparency in governance**, ensuring that funds reach affected communities efficiently.  Institutionalized Participation – This edit ensures that climate-vulnerable communities are not just recipients of finance but active decision makers. **Transparency & Equity in Climate Finance** – This addition ensures **fair and efficient** allocation of climate finance, avoiding delays seen in past funding mechanisms. ion-makers Rationale:  * Reduces **bureaucratic hurdles** that delay access to climate finance. * Ensures **direct financial access for developing countries**, reducing reliance on complex intermediaries. * Strengthens **predictability and accountability** for climate finance commitments. |
| Development Effectiveness | |  |  |
| 40. Growing fragmentation, due to a rapid proliferation of donor agencies and channels, coupled with smaller transactions, earmarking, and circumvention of government budgets, increases transaction and compliance costs and runs counter to long-standing effectiveness principles. There is broad consensus that the development effectiveness agenda needs to be revitalized and its implementation better monitored. | | Add a fourth bullet under para 40:d)We commit to enhancing the effectiveness and impact of climate finance, by reducing fragmentation, increasing coordination, and streamlining financial flows to maximize efficiency. Donor contributions should be harmonized under existing frameworks to prevent duplication, ensuring greater impact at the local level. | RationaleEncourages coordination to reduce inefficiencies and ensure climate finance is effectively utilized.Strengthens harmonization of financial flows, preventing overlapping efforts and redundancies.Improves fund allocation to priority climate action areas. |
| II. D. International trade as an engine for development | |  |  |
| Trade capacities | |  |  |
| **44. e)** We will strengthen the collection and dissemination of disaggregated data, including on gender or race, to guide the formulation and implementation of effective trade policies. | | e) We will strengthen the collection and dissemination of disaggregated data, including on gender, race, indigeneity, and social stratification systems, to guide the formulation and implementation of effective trade policies. | Rationale: Including *indigeneity* acknowledges the unique challenges faced by Indigenous communities, which are often overlooked in policy discussions. Similarly, *social stratification systems* broaden the understanding of how hierarchies and inequalities in society, based on factors like class, caste, or social status, may affect people's ability to participate in or benefit from trade. |
| II. E. Debt and debt sustainability | |  |  |
| 47. Borrowing, when prudently managed, is an important tool for financing sustainable development investments. Maintaining sustainable debt levels is the responsibility of the borrowing countries. We also acknowledge that lenders have a responsibility to lend in a way that does not undermine a country’s debt sustainability. Amid successive crises, shocks and record global debt levels, many developing countries face high borrowing costs and significant debt challenges. High debt service burdens severely constrain fiscal space for investment in sustainable development and climate action. Countries in need of debt workouts face “too little, too late” restructurings, with adverse growth and development impacts. There is a need for a development-oriented debt architecture to allow countries to sustainably borrow and invest in sustainable development, and for support to heavily indebted developing countries in need of immediate debt relief to return to a path of debt sustainability | | 47. Borrowing, when prudently managed, is an important tool for financing sustainable development investments. Maintaining sustainable debt levels is the responsibility of the borrowing countries. We also acknowledge that lenders have a responsibility to lend in a way that does not undermine a country’s debt sustainability. Amid successive crises, shocks and record global debt levels, many developing countries face high borrowing costs and significant debt challenges. High debt service burdens severely constrain fiscal space for investment in sustainable development and climate action. Countries in need of debt workouts face “too little, too late” restructurings, with adverse growth and development impacts. There is a need for a development-oriented debt architecture to allow countries to sustainably borrow and invest in sustainable development, and for support to heavily indebted developing countries in need of immediate debt relief to return to a path of debt sustainability. Debt sustainability assessments must consider the increasing financial strain caused by climate disasters. When a climate crisis hits a country, its priority should be rebuilding and protecting its people—not diverting funds to debt repayment. We call for automatic debt relief after major climate disasters so resources can be directed toward recovery, resilience, and future preparedness." | Rationale:  * Paragraph 47 highlights borrowing as a tool for sustainable development but does not acknowledge how climate change makes it harder for countries to recover from disasters while still repaying debt. |
| Sustainable and responsible borrowing and lending, and debt crisis prevention48. d) We call on all creditors to include standardized state-contingent clauses in loan and debt contracts to ensure debt service standstills during times of crises that are not covered by standard force majeure clauses. We commit to include such clauses in official lending. We invite the IMF in collaboration with other relevant international financial institutions to carry out analysis of obstacles and solutions to help mainstream state-contingent clauses into commercial debt contracts. | | 48. d) We call on all creditors to include standardized state-contingent clauses in loan and debt contracts to ensure debt service standstills during times of crises that are not covered by standard force majeure clauses. We commit to include such clauses in official lending. We invite the IMF in collaboration with other relevant international financial institutions to carry out analysis of obstacles and solutions to help mainstream state-contingent clauses into commercial debt contracts. Climate vulnerability assessments must be built into debt agreements to ensure that high-risk countries have access to lower borrowing costs and longer repayment terms. Financial institutions must not penalize climate-vulnerable nations with higher interest rates, as this increases debt burdens for countries already struggling with climate risks. | Rationale:   * Paragraph 48(d) introduces state-contingent clauses but does not address how climate vulnerability should be factored into debt agreements before disasters occur. |
| Summary (key takeaways in the thematic section in bullet points) | |  |  |
| **49. a)** We appreciate ongoing efforts in this area, including the three-pillar approach proposed by the IMF and World Bank to help address liquidity challenges, as well as the proposed SIDS Debt Sustainability Support Service (DSSS). We call for the operationalization of DSSS and the expansion of its eligibility to cover other developing countries, especially LDCs, and encourage official creditors to provide coordinated and enhanced liquidity and liability management support to developing countries committed to their ambitious development objectives through the use of financing tools such as guarantees, credit enhancements, debt swaps and buybacks, and legal instruments such as seniority clauses during buybacks to incentivize private creditor participation. | | **49. a)** We appreciate ongoing efforts in this area, including the three-pillar approach proposed by the IMF and World Bank to help address liquidity challenges, as well as the proposed SIDS Debt Sustainability Support Service (DSSS). **However, to ensure true economic sovereignty, we must prioritize non-debt-generating finance mechanisms, including climate reparations and alternative funding models that do not reinforce financial dependencies.** We call for the operationalization of DSSS and the expansion of its eligibility to cover other developing countries, especially LDCs, and encourage official creditors to provide coordinated and enhanced liquidity and liability management support to developing countries committed to their ambitious development objectives through the use of financing tools such as guarantees, credit enhancements, debt swaps and buybacks, and legal instruments such as seniority clauses during buybacks to incentivize private creditor participation. **Liquidity support must not come with austerity-based conditionalities that undermine social spending. To safeguard long-term sustainability, all liquidity tools must prioritize social protection, healthcare, and climate adaptation investments.** | Rationale:Economic Justice & Sovereignty – This ensures that climate finance is not just another debt instrument for vulnerable nations.  * Regarding paragraph 49, while liquidity support tools are necessary, they must not replicate the structural deficiencies of past debt relief mechanisms. |
| **50.** Heavily indebted countries require debt relief to restore them to a path of debt sustainability. But sovereign debt restructurings are often initiated too late and remain too slow and shallow, reflecting challenges with coordinating a diverse and changing set of creditors. The ad-hoc nature of debt resolution processes add uncertainty to the timeline and outcomes. Restructurings often do not provide sufficient fiscal space for necessary SDG investment, and result in profound economic and social costs. Restructurings should also account for the development needs of the indebted countries during the restructuring process. A more development-oriented international debt architecture in which all creditors effectively participate could ensure efficient, fair, predictable, coordinated, timely and orderly restructurings, building on the call made in the Addis Ababa Action Agenda | | 50. Heavily indebted countries require debt relief to restore them to a path of debt sustainability. But sovereign debt restructurings are often initiated too late and remain too slow and shallow, reflecting challenges with coordinating a diverse and changing set of creditors. The ad-hoc nature of debt resolution processes add uncertainty to the timeline and outcomes. Restructurings often do not provide sufficient fiscal space for necessary SDG investment, and result in profound economic and social costs. Restructurings should also account for the development needs of the indebted countries during the restructuring process. A more development-oriented international debt architecture in which all creditors effectively participate could ensure efficient, fair, predictable, coordinated, timely and orderly restructurings, building on the call made in the Addis Ababa Action Agenda. Debt relief must recognize the historical responsibility of high-emitting countries. Those most impacted by climate change should not have to take on more debt to recover from disasters they did not create | Rationale:  * Paragraph 50 discusses debt restructuring but does not address the unfair burden placed on climate-vulnerable nations |
| **Debt sustainability assessments and credit ratings**  **51. b)** We commit to promote transparent, accurate, objective and long-term model-based credit assessments. We call on public entities conducting economic surveillance to publish such assessments in ways that can be compared to private credit ratings. We also call on all ratings to positively reflect the long-term debt sustainability benefits of voluntary debt restructurings, rather than penalizing countries that engage in such transactions and official sector debt programs. We also agree to reduce mechanistic reliance on ratings and implement consistent regulatory regimes for rating agencies (as laid out under Systemic Issues). | | **51. b)** We commit to promote transparent, accurate, objective and long-term model-based credit assessments. We call on public entities conducting economic surveillance to publish such assessments in ways that can be compared to private credit ratings. We also call on all ratings to positively reflect the long-term debt sustainability benefits of voluntary debt restructurings, rather than penalizing countries that engage in such transactions and official sector debt programs. We also agree to reduce mechanistic reliance on ratings and implement consistent regulatory regimes for rating agencies (as laid out under Systemic Issues). **Credit rating agencies must update their frameworks so that countries investing in climate resilience and sustainable infrastructure are not unfairly downgraded. These investments should be seen as strengthening an economy, not as financial risks.** | Rationale:  * Paragraph 51(b) calls for improved credit rating methodologies but ignores that climate investments are often penalized in financial systems. |
| **54. c)** We will work through the IMF board to consider ways to ease access to the Resilience and Sustainability Trust, including by removing the requirement of an upper credit tranche programme. We welcome the recent PRGT review and will work through the IMF Executive Board to further increase the IMF’s self-sustaining capacity to lend concessional resources without worsening borrowers’ terms of financing. | | 54.c) We will work through the IMF board to consider ways to ease access to the Resilience and Sustainability Trust, including by removing the requirement of an upper credit tranche programme. We welcome the recent PRGT review and will work through the IMF Executive Board to further increase the IMF’s self-sustaining capacity to lend concessional resources without worsening borrowers’ terms of financing and to create a much larger pool of resources, accessible to all countries, for fast disbursement in response to shocks and crises. This must include climate emergency response funds, available without conditionalities, to ensure climate-vulnerable nations can respond swiftly without increasing debt burdens." | Reforming Global Financial Governance – Ensures that climate finance is not delayed or politicized. |
| II. G. Science, technology, innovation and capacity building | |  |  |
| Summary (key takeaways in the thematic section in 2-3 bullet points) | |  |  |
| **58.** Science, technology and innovation (STI) have advanced at an unprecedented scale and pace, amplifying its contribution in sustainable development. However, its full potential is constrained by persistent inequality in innovation and technology access, along with inadequate digital infrastructure and digital public goods. Limited national capacity and insufficient international support further hinder the development and use of technologies, including fintech, for sustainable development. Unregulated technological advances can also have unintended consequences for economic and social outcomes, cause environmental degradation, and worsen gender inequality. Coordinated national and international efforts are needed to close digital divides, leverage technological advances for sustainable development, and realize the full potential of digital technology in achieving financial inclusion and financial health. | **58.** Science, technology and innovation (STI) have advanced at an unprecedented scale and pace, amplifying its contribution in sustainable development. However, its full potential is constrained by persistent inequality in innovation and technology access, along with inadequate digital infrastructure and digital public goods. Limited national capacity and insufficient international support further hinder the development and use of technologies, including fintech, for sustainable development. Unregulated technological advances **and algorithmic decision-making** can also have unintended consequences for economic and social outcomes, **including reinforcing biases, causing** environmental degradation, and worsening gender inequality. Coordinated national and international efforts are needed to close digital divides, leverage technological advances for sustainable development, and realize the full potential of digital technology in achieving financial inclusion and financial health. | | Rationale:   * By adding *"algorithmic decision-making"*, the revision highlights a critical aspect of modern technology that can perpetuate bias and inequality, making the potential risks of unregulated technological advances more explicit. * The edit refines the language to specify that unintended consequences of technological progress include *"reinforcing biases"*, which is an important concern, especially in the context of fairness and inclusion in technological development. | |
| **Technological advances for sustainable development** | |  |  |
| 59. STI plays a critical role in pursuing sustainable development. However, developing countries, in particular, face challenges in leveraging the potential of STI, further impeding their sustainable development. To realize the full potential of STI, countries need strengthened technical capacity and resources for designing and implementing effective, mission-oriented, multistakeholder STI policy and enhancing national innovation systems. Policy frameworks and regulation should also be strengthened to provide adequate oversight of technology, ensuring it supports sustainable development and the full enjoyment of human rights. | | **59.** STI plays a critical role in pursuing sustainable development. However, developing countries, in particular, face challenges in leveraging the potential of STI, further impeding their sustainable development. To realize the full potential of STI, countries need strengthened technical capacity and resources for designing and implementing effective, mission-oriented, multistakeholder STI policy and enhancing national innovation systems. **Regulatory oversight must also be enhanced to address risks associated with digital technologies, including algorithmic bias, data privacy, and cybersecurity. Policymakers should ensure that AI and emerging technologies are developed and deployed in a manner that protects consumers, does not entrench discrimination or exploit vulnerable populations, upholds human rights, and promotes fair competition.** | Rationale: The proposed edits highlight the need to address emerging risks associated with digital technologies, such as algorithmic bias, data privacy, and cybersecurity, while emphasizing the role of policymakers in ensuring that AI and other technologies are developed and deployed responsibly. The revision highlights the importance of regulatory oversight to manage these risks and ensures that technology supports sustainable development without exacerbating inequalities or exploiting vulnerable populations. It also stresses the need for ethical standards, including protecting consumers, upholding human rights, and promoting fair competition. |
| National innovation systems, including STI4SDG roadmaps | |  |  |
| Technology transfer, knowledge sharing, capacity building, and financing for STI59. e) We will facilitate access to STI funds, through capacity building and knowledge sharing, including ensuring that resources are directed to countries and regions with high needs and impacts. We call for the IFIs, international organizations, and development partners to enhance financing and capacity support to STI projects in developing countries, and invite public development banks, in particular, to scale up support for investment in mission-oriented innovation through risk-sharing instruments, public venture capital funds or similar instruments. Add a new bullet following bullet e) and the current f) (We will promote equitable access to AI and ensure adequate financing for capacity building for AI adoption, for development of a regulatory ecosystem that promotes safe, secure, and trustworthy AI systems, and for facilitating developing countries’ participation in the global AI dialogue, while taking into consideration the previous internationally agreed outcomes.) | | Technology transfer, knowledge sharing, capacity building, and financing for STI59. e) We will facilitate access to STI funds, through capacity building and knowledge sharing, including ensuring that resources are directed to countries and regions with high needs and impacts. We call for the IFIs, international organizations, and development partners to enhance financing and capacity support to STI projects in developing countries, particularly innovations that advance clean energy and climate solutions, and invite public development banks, in particular, to scale up support for investment in mission-oriented innovation through risk-sharing instruments, public venture capital funds or similar instruments. f) **We commit to promoting digital and AI literacy, ensuring that developing countries build technical and regulatory capacity to effectively manage emerging risks and benefits of AI, fintech, and other disruptive technologies. This includes investing in national regulatory authorities, data protection bodies, and consumer rights organizations to monitor and enforce responsible AI and digital technology use.** | **Rationale:**  By specifying clean energy and climate solutions, the edit reinforces the importance of aligning STI funding with global sustainability and environmental goals, addressing one of the most pressing challenges of our time.  .  **Rationale:**   * The new bullet emphasizes the importance of *international regulatory cooperation* to develop shared principles on *algorithmic transparency, data protection, and ethical AI*, ensuring global safeguards for consumer rights. This fosters responsible AI governance and consistency across borders. * Strengthen the capacity of developing countries to manage emerging technologies responsibly by promoting digital and AI literacy and enhancing technical and regulatory frameworks. * It emphasizes the importance of investing in key institutions like regulatory authorities, data protection bodies, and consumer rights organizations to ensure the responsible use and enforcement of AI, fintech, and other disruptive technologies. |

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| Digital divides |  |  |
| **60. b)** We will promote access to science and technology for women, youth, and children. | 60. **60. b)** We will promote access to science and technology for women, youth, and children **and displaced or migrant communities, who face additional intersectional barriers to access.** | Rationale:  The proposed edit expands inclusivity by explicitly including displaced or migrant communities, who often face additional barriers to accessing science and technology. This ensures that vulnerable and marginalized groups are recognized and supported in efforts to promote equitable access to these resources, aligning with the principle of leaving no one behind. |
| **Digital technology for financial inclusion and financial health**  **61. b)** We commit to implement comprehensive and ethical financial and digital literacy programmes that target all segments of society, including women, youth, and marginalised communities, including by mainstreaming these into educational curricula at all levels. | 61.  b) **61. b)** We commit to implement comprehensive and ethical financial and digital literacy programmes **including to navigate AI-driven financial products and services safely, reducing risks of algorithmic discrimination or predatory lending practices** that target all segments of society, including women, youth, and marginalised communities, including by mainstreaming these into educational curricula at all levels. | Rationale:   * The edit adds a focus on AI-driven financial products and services, ensuring that literacy programs also address the safe navigation of such technologies, reducing the risks of algorithmic discrimination and predatory lending practices. * It highlights the need for comprehensive financial and digital literacy, ensuring these programs target vulnerable groups like women, youth, and marginalized communities, and are integrated into educational curricula at all levels for long-term impact. |