

**Viet Nam’s input to the element paper of the Outcome document of the Fourth International Conference on financing for development**

1. **Domestic Public resources**
* Note with appreciation the development of a United Nations Framework Convention on promotion of inclusive and effective international cooperation on tax matters. The development of the Framework Convention could help strengthen international tax cooperation and encourage countries to increase transparency and implement appropriate policies to strengthen cross-border communication between relevant authorities.
1. **International development cooperation**
* Calls on countries and international financial institutions to increase financial and technical support for developing countries to promote the achievement of SDGs. Financial resources need to be allocated in an just, equitable and transparent manner, prioritizing important areas such as climate change, health, education and infrastructure development.
* Calls for the reform of the international financial system to create a fair environment in which developing countries have greater voice and representation. Stress the need to improve preferential financing mechanisms and reduce the debt burden of the poorest countries.
* Calls for increasing the transparency and cooperation between Multilateral development banks (MDBs) and national development banks to maximize the effectiveness of capital using for development assistance; harmonizing loan procedures amongst MDBs to set common regulations which applicable for all member states.
* On MDB reform:

+ Enhance MDB lending capacity by applying more flexible methods, such as improving access to capital by reducing lending conditions; reducing detailed commitment requirements in the negotiation stage, moving detailed commitments to the implementation stage, thereby helping to speed up the negotiation process, while also facilitating and increasing proactiveness in implementation when corrections are needed; changing specific content during project implementation; enhancing flexibility when applying MDBs' regulations/standards on procurement, environment, and resettlement to each loan source, especially loan sources that are no longer preferential; minimizing differences between MDBs' regulations/standards on procurement, environment, and resettlement and the domestic laws of member states.

+ Choose appropriate projects related to sustainable development, climate change response, infrastructure development, creating favorable conditions for transportation connections, irrigation, urban areas, investment, trade, as well as projects requiring high technology appliance in line with national development strategy of each country.

+ Increase flexibility and reduce complex conditions. Flexibility in lending to small projects in accordance with the development priorities of borrowing countries.

+ Call for cooperation with countries and international organizations to build a unified carbon resource framework, promoting the development of greenhouse gas reduction projects; stress the need for a transparent mechanism in carbon price assessment and pricing, ensuring fairness between developed and developing countries in generating benefits from carbon finance mechanisms; recommend that developed countries and MDB provide financial support and technical assistance to developing countries to build domestic credit exchange market and participate in the global market.

* On climate finance:

+ Call on developed countries to make commitments to provide financial support to developing countries to address climate change and develop infrastructure; prioritize implementing green development projects, responding to natural disasters and protecting the ecosystem should be a priority in international development cooperation.

+ Develop a separate financial mechanism for capital support for developing countries to address climate change in the form of co-financing aid capital with loan capital to soften the loan at the same ratio. determined for this goal instead of determining loan capital and then supplementing aid capital.

+ Assistance capital from environmental and climate change funds should prioritize co-financing loans and have specific commitments for each region and country.

+ Call on MDBs to quickly seek assistance capital sources to support appropriate climate change adaptation investments to support developing countries in implementing international commitments in the Paris Agreement.

1. **International trade as an engine for development**

a) Improve countries' approach to international trade activities and global trade integration:

- Adding provisions to international trade agreements to encourage environmentally friendly goods and services, while not affecting ongoing trade activities.

- Strengthen international dialogue and cooperation to share clean technology, experience, and resources in sustainable development, ensuring that all countries can implement green policies.

- Support developing countries to apply international standards on sustainable production, to promote trade practices that protect the environment and ensure social rights.

- Encourage investment in green industries, technology transfer and green finance to developing countries.

- Support developing countries and businesses in developing countries with the capacity to carry out assessments of the impact of trade regulations on sustainable development, ensuring the least impact on trade and commercial.

 b) Methods to amend and adjust international trade regulations to ensure sustainable development goals:

 - Add provisions to minimize negative impacts on trade when applying new environmental policies in the multilateral trading system and regional trade agreements, for example, allowing reasonable time for countries to provide opinions before making policies, choosing policies that have the least impact on trade, do not create disguised trade barriers when applying new policies.

- Strengthen international dialogue and cooperation in planning and implementing policies on sustainable development in international trade: Promote cooperation between countries to share experiences, technology and resources in international trade. planning and implementation of sustainable development policies in trade.

- Ensure that the application of industrial policies and subsidies for green transition must be consistent with WTO regulations.

c) Policies to promote international trade cooperation activities towards sustainable development goals:

- Promote the implementation of fair-trade principles as well as the principles of special and differential treatment (SDT).

- Create favorable conditions for businesses to participate in the global supply chain, enhance competitiveness and improve product quality.

- Take advantage of new trade trends: E-commerce, digital commerce, and digital technology cooperation.

- Increase financial efficiency and financing: In order not to increase inequality, it is necessary to create a reasonable financing mechanism for international trade activities.

1. **Debt and debt sustainability**

- Countries should develop and implement effective public debt management policies, ensuring that loans are used responsibly and for the right purpose to avoid the risk of default and ensure public debt at a sustainable level, positively contributing to economic and social development.

- Ensuring transparency and accountability in public debt management. National governments need to commit to publishing detailed information about loans, debt structures and loan terms to increase the confidence of investors and development partners and raise public awareness of the use of public financial resources.

- International financial organizations such as the IMF and World Bank should strengthen cooperation with developing countries in building technical and financial support programs to solve public debt issues, including supporting improvements in debt management capacity and providing preferential financial support packages to help countries address debt-related issues.

- Develop emergency financial support mechanisms for countries vulnerable to economic shocks, such as pandemics, climate change or the global financial crisis; may include preferential loans or financial support packages with no conditions attached to help these countries maintain public debt sustainability and economic stability.

1. **Addressing systematic issues**

- Emphasizes the importance of fighting against illicit financial flows, including tax evasion, money laundering and transfer pricing, to protect national finances and ensure that such funds are used for development purposes.

- Strengthen international cooperation to share information and enforce financial regulations, especially in monitoring and preventing illegal financial activities on a global scale.

- Commit to working closely with the international community in resolving systemic issues in public financial management, contributing to building a transparent, sustainable and fair public finance system, supporting sustainable development and global prosperity.

1. **Science, technology, innovation and capacity building**

- Unlock, mobilize and effectively use all resources for development in accordance with the needs of each country; prioritize resources for "low-lying areas" in implementing sustainable development goals; focus on supporting developing and underdeveloped countries, especially in terms of preferential capital, transferring advanced technology, training high-quality human resources, facilitating investment and trade, and reducing debt burden for poor countries.

- Establish smart global governance frameworks with a long-term vision of science and technology, especially emerging technologies such as artificial intelligence, ensuring the promotion of progressive development and enjoyment of positive achievements.

- Developing countries can develop science, technology and innovation through international cooperation in the following activities: (i) cooperation in research and development of foundation technology for sustainable development; (ii) buying, selling, transferring innovative products, transferring advanced management models at national, local, industry, and enterprise levels; (iii) protect and develop intellectual property, harmonize standards and quality of goods to realize the goal of sustainable development and green growth; (iv) cooperate in training science and technology human resources, improving the capacity of science and technology organizations; (v) develop global intellectual property and innovation networks; (vi) support entrepreneurs and small and medium-sized enterprises to develop technology solutions towards green growth and circular economic development.