

1. A Global Financing Framework

Thank you Chair,

Saudi Arabia appreciates the efforts of the co-facilitators in advancing the Financing for Development agenda and welcomes the opportunity to contribute to strengthening this important document. We recognize the effort that has gone into its preparation. Our feedback is intended to ensure that the document remains focused on its core mandate, respects the jurisdiction of relevant international financial institutions, and upholds national policy autonomy. Each country must have the autonomy to design and implement its financing strategies in alignment with national priorities and economic realities. The global financing framework must respect policy flexibility and national ownership, ensuring that all nations can leverage their unique strengths to mobilize resources effectively.

. In the first topic, we highlight the following:

- In paragraph (5), we noticed that the entire text contains a completely imbalanced approach to approach to the issue of provision vs mobilization, with that we require the removal to the reference to all sources. We would also request the deletion of the reference to aligning “all flows, public and private” and retain the focus on provision in this paragraph.
- In paragraph (19), the phrase “intersectional approach” lacks specificity. To ensure an action-oriented focus on empowering women across key sectors, we require replacing it with concrete measures focused on women's empowerment, such as (*prioritizing solutions to address barriers such as lack of access to healthcare, education, career development, equal pay, and leadership opportunities*).
- In paragraphs (22 and 23) we cannot have a unified commitment to provide new and additional financial resources, nor in improving access to climate finance unless the distinction of responsibilities in climate finance provisions as per UNFCCC and its Paris agreement is clearly defined in the paragraph.

2. Domestic Public Resources

Thank you Chair,

We appreciate the work done on this section and welcome this opportunity to contribute to strengthening it.

- In paragraph (29), we cannot accept this intrusion into national sovereignties, and to their right to maintain and develop their resources that found in the subsections. We request the deletion of the referencing to alignment with sustainable development, gender, and climate considerations in the fiscal system.
- We also request to change the title of the sub-section “alignment of fiscal systems with sustainable development” to “Fiscal systems for sustainable development “. With that we request:
 - *Rephrase paragraph (29) to “We commit to promote the achievement of sustainable development by allowing countries to implement the best policy mix for their economies ”.*
 - *We request the deletion of (29-f), as the he implications of this need to be carefully examined, including the distortive aspects of differentiated tax rates for women-owned businesses.*
 - *In addition, as we stated in our intervention during the previous prep-com, we request the deletion of both paragraphs (29-g), and (29-h) as they enforce strict rules on subsidy policies, ignores national economic priorities, and overlooks the complexities of energy markets and development needs.*
- In (30-h), we do find it prescriptive and top-down, and as such we do request its entire deletion.
- In paragraph (31), we *request to add a new point that focuses specifically on combating illicit financial flows: (g) We will promote measures to deny safe havens to IFF and exhort all countries to take effective steps to prevent IFF from entering their jurisdictions.*

Thank you.

3. Domestic and International Private Business and Finance

Thank you Chair,

We appreciate the work done on this section and welcome this opportunity to contribute to strengthening it.

- In Paragraph (34): Strengthening domestic financial markets is a more sustainable approach than external reliance. While the draft highlights MDB support for local currency lending, a greater emphasis should be placed on developing strong domestic financial markets, expanding local debt markets, and encouraging long-term financial stability through diversified financial instruments. Enhancing domestic bond markets and strengthening central bank collaboration to stabilize exchange rate volatility should be prioritized over dependence on external financing mechanisms.
- in Paragraph (36): We suggest emphasizing that sustainability disclosures should be voluntary and adaptable to national contexts.
 - Points d-g, **we caution against prescriptive and conditional actions** and one-size-fits-all approaches. Contains recommendations on sustainable finance legislation, adoption of standards, and governance frameworks that need more detailed assessment, including considering unintended consequences on developing countries, noting the need to rephrase paragraph (36) and its sub-bullets.
 - And with particular regards to (36-e) and (36-f), we would like to register that current **climate risk assessment** do not consider the different transitions approaches, pathways, and timelines and current sustainability disclosures frameworks yield prejudice and negative perceptions toward energy, manufacturing, and financial institutions, and in turn, affecting their financial valuations, yielding distorted market messages.
 - Also, in (36-g), any **global taxonomy** should consider the different national circumstances and should be negotiated by all members and to be inclusive.

Thank you.

4- International Development Cooperation

Thank you Chair,

We appreciate the work done on this section and welcome this opportunity to contribute to strengthening it.

- **In paragraph (37):** We request to change “climate-induced disasters, and crises” to “food and energy insecurity, disasters, and climate change”.
- **In paragraph (38-C),** In the South-South and Triangular Cooperation, we request to remove the “including by increasing the share of budget support in ODA”.
- **In (38-E),** In the South-South and Triangular Cooperation, we request to change the word “We commit” to “We strive“, and ending the sentence with “On a voluntary basis“. We also request adding another sentence: “To further strengthen South-South Cooperation, we recognize the importance of regional financing mechanisms that facilitate cross-border investment, resource mobilization, and knowledge-sharing among developing economies. Strengthening these mechanisms will help ensure that South-South Cooperation is more sustainable, demand-driven, and aligned with national development priorities”.
- **In (38-F),** We request to end the sentence with “as appropriate“. Also, we request to add a sentence: “We emphasize the need to enhance knowledge-sharing initiatives through regional platforms that allow countries to exchange best practices, innovative financing models, and technical expertise in sustainable development. Strengthening these networks will support more effective coordination and capacity-building across developing nations”.
- **In (38-G),** In MDBs and the system of PDBs, we have to ensure adherence to specific mandate and governance structure of each MDB, and all decision to be within their respective boards. Also, in the last sentence of the same paragraph, we request to replace the word “implement” to “work toward the implementation”.
- **In (38-H),** We request to add a new sentence: “These instruments should respect the Reserve Asset character and status of the resulting SDR-denominated claims and ensure their liquidity.”
- **In (38-K):** With regards to the impact measurement frameworks, we ask to replace the word “standardized” to “interoperable” and delete the sentence “negative impacts, and ensuring adherence to social and environmental safeguards in all operations” as this presumes that Banks are not following their own ESS policies.
- **In paragraph (39-C),** This should be aligned with UNFCCC and its Paris Agreement and their provisions and principles.
- **In paragraph (39),** We stress on that we need to be fully aligned. with the COP29 outcome decision on NCQG We are also concerned that the entire section contains no reference to ‘provision’ of finance when we know that this is a standard formulation under the UNFCCC, and we stress on the deletion of “Carbon finance “in 39 (d).
- **In para (39-E),** we request to end the point with “and those administered by MDBs.”
- **In paragraph (40-A),** we request the deletion of the whole point.

Thank you.

5- International Trade as an Engine for Development

Thank you Chair,

We appreciate the work done on this section and welcome this opportunity to contribute to strengthening it.

- **In paragraph (43)**, we highlight that developing-countries should have the flexibility to address their environmental challenges in a manner that is consistent with their level of development and capacity, and therefore, we request to reflect that in the text. The draft needs to strengthen WTO processes rather than introducing new commitments in the FfD context.
 - **In (43-D)**, As for the review of the rules of origin with a view to streamline and simplify them, we stress that this review should be in conformity with WTO principles, rules and regulations, as such we request to reflect that.
 - **In (43-E)**, As for the review to the role of trade as an engine for sustainable development and the SDGs, this review should prioritize policies that enable developing countries to leverage trade to meet their specific SDGs, recognizing their distinctive challenges, including limited capacity, dependence on specific industries, as such, we request to reflect that.
 - **In (43-K)**, we would like to request to add following “Taking into account that trade-related environmental measures should not be used as a tool for trade barriers, which could disproportionately affect developing countries that rely on trade for their economic growth”. It is crucial that any such measures are designed in a way that allow developing countries to continue their development trajectory without facing unfair barriers.
- **In paragraph (44)**, we request the deletion of “and transformation of natural resources” and deleting “Including sustainability standards” in **(44-b)**.
- **In (45-A)**, we request to start the sentence with “We encourage”, and insist on the deletion of “including developing country WTO members declaring themselves in a position to do so”, and replace “Commit” to “Will strengthen efforts to” in **(45-d)**.
- **In (46)**, we see the introduction of new categorizations and classifications that we do not accept, as such, we propose an alternative paragraph to be read as:
“Countries have a unique opportunity to leverage their resources, yet a pathway to a more resilient and diversified economy requires deliberate policy efforts for countries. The demand for certain commodities, such as critical minerals which are largely located in developing countries, is on the rise. These reserves have huge potential for sustainable development. However, developing countries often lack financial resources, including due to tax evasion by MNEs operating within their jurisdictions, to invest in sustainable extraction, processing and value-addition activities”.
- **In (46-B)**, we request for an entire deletion as it is encroachment to sovereignty.

Thank you.

6- Debt and debt sustainability

Thank you Chair,

We appreciate the work done on this section and welcome this opportunity to contribute to strengthening it.

- **In Paragraph (49 and 50),** The draft should focus on strengthening and streamlining existing debt treatment frameworks instead of creating new ones.
- **In Paragraph (50-A),** This point is beyond the mandate of the UN, and the agreed Common Framework Terms of Reference. Also, the point discussed issues that should only be discussed on case-by-case within Common Framework committees. We request to delete the whole point. And for the same reason, we also request to delete **paragraph (50-E).**
- **In (51),** The draft should ensure discussions on credit ratings remain within financial regulatory bodies and focus on transparency and objectivity.
- **In (51-a),** we request to delete the sentence “better capture climate and nature risk” as the current risk assessment practices take presumptuous approaches in the assessment of climate and nature risk, yielding distorted outcomes in risk pricing.
- Debt restructuring should remain a sovereign decision, supported by voluntary mechanisms. While Saudi Arabia supports international cooperation on debt sustainability, any framework for restructuring should be country-led and voluntary. Expanding multilateral debt mechanisms should not diminish the flexibility of debtor countries to manage their own debt strategies. The document should reinforce that existing debt restructuring mechanisms within the IMF, World Bank, and G20 remain the primary avenues for engagement, rather than introducing prescriptive solutions.

Thank you.

7- Addressing systemic issues

Thank you Chair,

We appreciate the work done on this section and welcome this opportunity to provide our input.

- **In paragraph (53-A)**, we suggest removing "We will work through the Governors of the IMF to consider restoring basic votes back to one-ninth of the total voting rights in the IMF, among other measures".
- **In paragraph (53-C)**, we suggest rephrasing the reference to achieving gender balance since to ensure it is merit-based as well.
- **In paragraph (54)**, We believe the draft does not sufficiently explore regional financial resilience strategies, and so we recommend highlighting the role of regional liquidity mechanisms, particularly in Africa and South Asia.
- **In paragraph (54-A)**, we suggest rephrasing the text with regards to working through the IMF Executive Board to be "continuously review and enhance the adequacy of its resources, lending policies, and toolkit for timely and effective support. And to ensure adaptability to the changing environment and responsiveness to future crises".
- **In paragraph (54-D)**, we suggest replacing the reference to developing countries in a position to do so with "other countries that are willing and legally able to".
- We ask to end **paragraph (56)** with "especially in LDCs."
- And finally we ask to maintain the focus on its sub-bullet **(A)** and delete the sub-bullet **(B)**, as it will constitute additional burdens to the financial systems of developing countries. And to delete point **(C)** that suggests BIS and IMF develop a banking regulation framework, as this is outside their mandate.

Thank you.

8. Science, technology, innovation and capacity building

Thank you Chair,

We appreciate the work done on this section and welcome this opportunity to contribute to strengthening it.

- **In paragraph (58)**, we believe Technology transfer and digital inclusion should be framed within the broader economic development agenda. While references to technology transfer and digital public infrastructure are positive, We suggest that the document avoid creating broad commitments related to intellectual property that go beyond existing agreements. Instead, it should encourage greater technical assistance, capacity-building, and voluntary cooperation on technology development.
 - Also, in the same **paragraph, (58)**, the text mentioned that “unregulated technological advances will cause environmental degradation, and worsen gender inequality”. The connection here is not clear, and we think it should be clarified.
- **In paragraph (59)**, The text should contain reference to ensuring STI financing is impact-driven, with commitment to expanding investment in technology-driven solutions that accelerating SDG progress. Dedicated financing for research, innovation, and digital infrastructure development shall be prioritized to close technology gaps and leverage STI as key enabler of sustainable development.
- **In paragraph (59-J)**, we request to replace the “green” with “Low-emission “.
- **In paragraph (60)**, we believe the text does not sufficiently address geopolitical and policy challenges that affect financial flows. Ensuring policy predictability and investment protections serve to maintain financial stability.
- **In paragraph (61)**, We believe the text should contain reference to ensuring that all countries, particularly developing economies, benefit from technological advancements, and emphasizing the need for enhanced international cooperation on technology transfer. This includes strengthening access to cutting-edge technologies, fostering collaborative research and development, and ensuring equitable distribution of digital public goods to bridge the technological divide.

Thank you.

9. Data, Monitoring and Follow-up

Thank you Chair,

We appreciate the work done on this section and welcome this opportunity to contribute to strengthening it.

- **In paragraph (62),** we believe follow-up mechanisms must be designed to enhance monitoring and coherence without imposing unnecessary administrative burdens on developing economies.
- **In paragraph (63),** we suggest replacing the phrase “gender and sex” with “race, age, and sex”.
- **In paragraph (65),** we highlight that the strengthened follow-up process after the FfD must go beyond tracking financial flows, and prioritize measuring the tangible impact of financing on sustainable development outcomes. Strengthening national data collection and analysis capacities will be essential to ensure financing effectiveness and to provide a clear understanding of progress made.
- **In paragraph (65-A),** we stress that accountability mechanisms must remain practical, non-burdensome, and results-oriented, ensuring that reporting requirements are streamlined and do not impose unnecessary administrative burdens on developing economies. Reporting frameworks should leverage existing national data systems and focus on measurable outcomes rather than excessive documentation.

Thank you.