

## **Means of Implementation, Focus Area 15**

**Open Working Group 11 on Sustainable Development Goals (5-9 May 2014)**

**Draft prepared by Third World Network (TWN)  
on behalf of Women's Major Group and other Major Groups**

- ❖ Focus Area 15 on Means of Implementation in this third version of the SDG document is by far the most fundamental section, because a **meaningful and adequate set of actions** is needed if developing countries are to be able to implement the other Sustainable Development Goals.
- ❖ For the SDGs to be credible and acted upon, they need a comprehensive and detailed set of goals that are systemic as well as specific, that address the global system as well as address the specific requirements of developing countries. **It is not an overstatement to say that the SDGs stand or fall depending on this Goal on MOI.**
- ❖ The very notion of 'means of implementation' means that the mix of financial resources, technological development and transfers as well as capacity building must be supported by actions from developed countries at the international level: Such as time-bound financing targets; associated trade and economic policies; technology transfer and other resources to assist and enable developing countries efforts. **Focus Area 15 on Means of Implementation in this third version of the document does not refer specifically to concrete actions that developed countries, and the international financial institutions in which they have a majority voice in, should undertake.**
- ❖ Focus Area 15 on Means of Implementation in this third version of the document also needs to reiterate a commonly held position among many

countries as well as much of civil society that the Monterrey and Doha conferences on financing for development are a strong foundation for the SDG financing strategy.

- ❖ As it is currently outlined, the **Means of Implementation** are defined as operational issues like finance, trade and technology, while the **Global Partnership for Development** is defined primarily as a process of engaging stakeholders and of reporting progress.
  
- ❖ This goes against the globally accepted and practised concept and operation of the Global Partnership for Development that encompassed Goal 8 of the Millennium Development Goals. The UN produces an annual detailed report known as the Global Partnership for Development, or GAP report, in which the gaps in implementation of Goal 8 are described.
  
- ❖ There are the well known goals and targets within MDG Goal 8, which deal with ODA, trade, debt, access to medicines, technology etc. These already established goals and targets should be reflected within the targets listed in the Focus Areas Document for the SDGs.
  
- ❖ **We call for a strengthened and enhanced Global Partnership for Development, firmly based on international cooperation on a broad range of key development issues, and primarily on a North/South basis.**
  
- ❖ The meaning of Global Partnership for Development should not be distorted into the notion of Partnerships in the plural, which overwhelmingly refers to engaging with the private sector or civil society.
  
- ❖ **The Global Partnership for Development is one that is principally**

**between governments of developed and developing countries, with the developed countries taking the lead in providing resources and the means of implementation.**

***On the substantive issues listed as targets:***

- ❖ The most problematic target is the first one in target (a).  
It reads: “a) promote open, rules-based, non-discriminatory and equitable multilateral trading and financial systems.” **This merging together of the trade and financial system is entirely inappropriate, because while an open and equitable multilateral trade system should be promoted, an open financial system is an entirely different matter and should not be promoted.**
  
- ❖ **An open financial system is defined as a liberalized system of financial flows that allow funds, including speculative funds, to move in and out of countries.** This has triggered many financial crises over the decades, and has led to significant outflows of illicit financial flows from developing countries, particularly through corporate tax evasion and avoidance, the use of offshore tax havens and transfer mispricing by Transnational Corporations.
  
- ❖ We therefore propose the following five targets under the existing heading of “***Finance and Debt Sustainability***”:  
  

**(1) Regulation of capital flows** to prevent or minimise destabilising and volatile cross-border flows of short-term capital, including by encouraging reserve-issuing countries to impose controls over destabilizing capital outflows to developing countries;

**(2) Reform the exchange rate and international reserve system** with a

view to reducing systemic instability, improve the international governance of finance and support development;

**(3) Promote a stable, rules-based, equitable and international financial system**, with equitable decision-making power, particularly within international financial institutions, and inclusive participation for all countries, developed and developing, that supports development and the real productive economy;

**(4) Control and regulate speculation in the commodities markets**, including through ensuring favourable terms for commodity-dependent developing countries in contracts with TNCs to enable them to add more value to commodities and obtain more revenues from commodity-related activities; and,

**(5) Regulate systemically important financial institutions and markets**, including international banks and rating agencies and markets for commodity derivatives with a view to reducing international financial instability and instability of commodity prices.

- ❖ With regard to **debt**, target (m) on debt should be amended to include *“ensure debt sustainability, debt restructuring and debt relief, and this should take into account the country’s need to successfully implement the agreed SDGs.”*
- ❖ The targets under the existing heading of **“Trade”** are quite insufficient. The following 6 targets are proposed for addition under Trade:

**(1) Review multilateral rules and agreements as well as trade and investment bilateral agreements** with a view to improving the policy

space in developing countries in pursuit of the above national objectives;

- (2) Discourage the proliferation of bilateral **Free Trade Agreements** that encroach on policy space of developing countries and divert trade from the multilateral arena;
  - (3) Reaffirm that **agriculture** is the sector where trade is most distorting, expressing concern that domestic support in developed countries are maintained at very high levels (OECD data that this level has now crossed the \$400 billion level). A call for elimination or reduction of such domestic support in developed countries should be made;
  - (4) Reaffirm the prime importance of **food security** in developing countries and that trade rules and negotiations have to recognise and respect this priority, as well as to promote the livelihoods and incomes of small farmers in developing countries;
  - (5) Eliminate **exports subsidies** for agricultural products and **restrictions over transfer of technology** in advanced economies; and,
  - (6) Refrain from promulgating and applying **unilateral economic, financial or trade measures** not in accordance with international law and the Human Rights Charter that impede the full achievement of economic and social development, particularly in developing countries (as stated in the Rio+20 outcome document, Paragraph 26).
- ❖ The heading of “**Technology transfer, technological capabilities,**” does not make any reference to ensuring affordable access to technology for developing countries. Rio+20 (paragraph 73) emphasised the importance of technology transfer to developing countries, as well as access to

information and intellectual property rights as agreed in the Johannesburg Plan of Action. It listed many detailed methods of doing this.

❖ Four key issues are missing from the technology section in the MOI Focus Area and are proposed as substantive targets that should be incorporated:

(1) Implement measures to promote, facilitate and finance access to and the development, transfer and diffusion of environmentally sound technologies and corresponding know-how to developing countries, on favourable terms, including on concessional and preferential terms, as mutually agreed. (This is laid out in the Rio+20 outcome document, paragraph 73);

(2) Continued and focused implementation of the Bali Strategic Plan for Technology Support and Capacity-building, adopted by the United Nations Environment Programme (In Rio+20, Paragraph 278);

(3) Developing countries are encouraged and supported to make use of TRIPS flexibilities, and countries taking part in negotiations for free trade agreements and other agreements should not propose TRIPS-plus provisions that limit access to medicines and knowledge and other technologies; and,

(4) Reforming the international intellectual property regime with a view to facilitating technological catch-up and improving health and education standards and food security in developing countries.

❖ Under the heading “**Strengthened Global Partnership for Sustainable Development,**” there is a strong mention of multi-stakeholder initiatives and partnerships. This refers to the explicit push to scale-up partnerships within the UN for the implementation of the Post-2015 development agenda and cooperation in general.

- ❖ However, such partnerships with the private sector raises serious issues about the UN, **especially if it takes place outside the purview of intergovernmental oversight, without regular and effective participation by Member States, be it under the General Assembly or the Economic and Social Council.**
- ❖ If private participation is to be a new form of development cooperation, it must not substitute or dominate over public financing. **Transparency and accountability must be ensured ex-ante** for all actions and initiatives, be they publicly or privately funded, and **conflict of interest** must be guarded against, particularly with regard to the UN Charter.