

THE ROME ROUNDTABLE

The Global Foundation
Together, we strive for the global common good



ADVANCE
READING



1 THE BACK STORY:

Since its formation by a group of distinguished Australians in 1998, the Global Foundation has become a non-partisan, private sector-led platform for global dialogue, enabling many voices from diverse backgrounds to meet, across the world. The Foundation acts as a convenor and a catalyst to help leaders to engage, to change and to influence and impact bigger picture issues that affect the sustainability of the planet.



The Foundation has always fostered a spirit of seeking common ground between those who are willing to demonstrate genuine commitment to the global common good.



From 2014 onwards, to strengthen its reach and impact, the Foundation incorporated a faith-enabled dimension and engaged directly with the Vatican and other faiths. It convened a series of its global roundtable meetings in Rome, interacting with the most senior officials of the Vatican, including Pope Francis who, at an Audience with the Global Foundation in January 2017, **endorsed the Foundation's mantra of 'co-operative globalisation' and exhorted it to do more**, certainly in the spirit of 'Laudato Si', the landmark call to action on nature issued by His Holiness in 2015.



Over the years that followed, even during the pandemic when communications were restricted to online contact, the Foundation continued to address, elevate and mobilise action on issues requiring global attention.



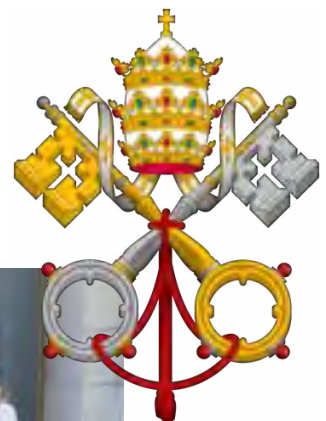


In May 2022, it convened its first face-to-face global roundtable meeting since the pandemic, in Assisi, Italy, the birthplace of St Francis of Assisi. In that remarkable Italian hill-town that inspires global dialogue and action in support of peace and ecology, such as that practised by St Francis, the Foundation forged and launched the **Assisi Accord**. The Accord was a deeply considered call for fresh action on climate change and for the imperative to reform global governance, to avoid a fracturing world, divided along ideological lines.



Thanks to the leadership contribution from a Key Partner of the Foundation, Aviva Investors, the Assisi Accord called for fundamental modernisation of the international financial system, to make it more contemporary and fit for purpose, in enabling the biggest financial actors in the world to deploy their vast amounts of capital in the fight against climate change.

One year later, in June 2023, the Foundation accepted an invitation to partner with and meet at the Pontifical Academy of Social Sciences at the Vatican, addressing the topic of **'Dialogue between civilizations on global commons.'**





That meeting **issued a statement**, including the following significant call to action:

Promoting new global governance arrangements to oversee the sustainability of the global environmental commons, including the climate, the oceans, biodiversity, world heritage sites, and to ensure a fair and just transition that advantages the poor. The formulation of such arrangements should be affiliated with the United Nations and its many institutions and should involve governments as well as religious groups, civil society, enlightened businesses and investors, educators, students, and young people around the world.

Then, a few months later, in October 2023, in an echo of the above language, His Holiness, Pope Francis issued a strong plea for the reform of global governance, in a statement called '**Laudato Deum**', ahead of the United Nations annual climate change conference, held in Dubai. Specifically, Pope Francis said this, about reconfiguring multilateralism:

More than saving the old multilateralism, it appears that the current challenge is to reconfigure and recreate it, taking into account the new world situation. I invite you to recognize that many groups and organizations within civil society help to compensate for the shortcomings of the international community, its lack of coordination in complex situations, and its lack of attention to fundamental human rights.

All of these cumulative and intersecting key moments have encouraged the Global Foundation to recently strengthen its commitment to global action, leading up to and beyond this meeting in Rome.

2 'SHAPING GLOBAL GOVERNANCE, CLIMATE AND NATURE' PROJECT:



Dr Mark Cutifani CBE *

Chair of the Global Advisory Council, Chair and Acting CEO, Vale Base Metals



Ms Sharan Burrow AC*

Deputy Chair of the Global Advisory Council, Global Advocate for Rights and Sustainability



Ms Louise Watson

Chairman of the Board, the Global Foundation.



Mr Steve Howard

Secretary General, the Global Foundation

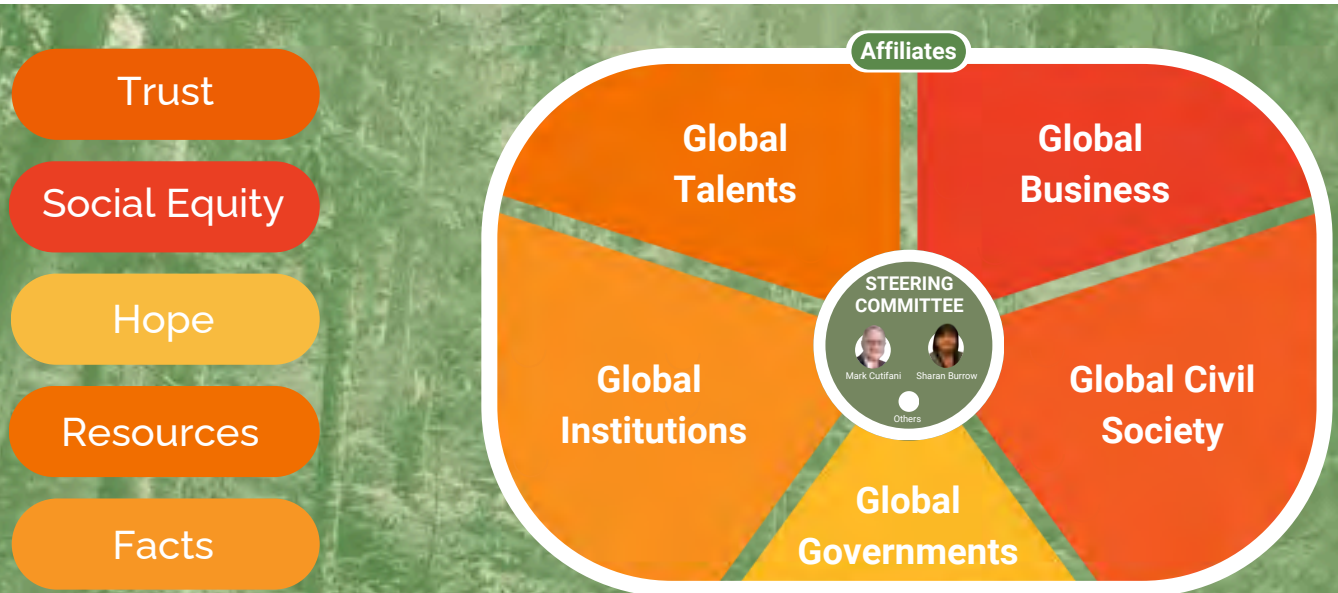
*Mark and Sharan are co-chairs of our **Steering Committee** for Shaping Agreement on Global Governance, Climate and Nature Project.





In late 2023, the leadership group of the Foundation agreed to a new, global initiative, its '**Shaping Global Governance, Climate and Nature Project**', and formed a steering committee of its most eminent global supporters, led by two globally distinguished Australians, Dr Mark Cutifani CBE and Ms Sharan Burrow AC, who are the Chair and Deputy Chair, respectively, of the Foundation's Global Advisory Council.

The Project is underpinned by five pillars: **trust, social equity, hope, resources and facts**.



Mark and Sharan come from very different backgrounds. Mark is a revered global mining leader, who has led his industry and successfully proselytised the idea of 'business leadership with purpose'. Sharan is equally respected, having led the global trade union movement for 10 years. She continues to be a leading global advocate for a 'fair and just transition' as the world confronts the enormity of the energy transition challenge, to address climate change. Together, they are leading the Foundation's global mobilisation effort for the Project.

3 THE ROME ROUNDTABLE, 2024:

The Rome Roundtable promises to be a dynamic and robust discussion about ways in which agreements can be reached for better global governance, to impact on climate change and benefiting nature.

The Roundtable is designed to demonstrate global business leadership and partnership with all other sectors of society, including the Vatican and other faiths, other global institutions such as the United Nations, along with national governments, academia and global civil society.



16-19 June 2024





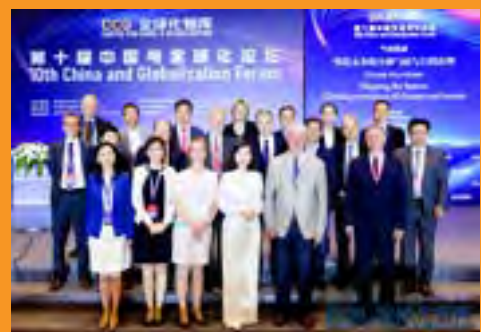
It is also intended to finalise, generate support for and launch the Foundation's most important global initiative, its **'Shaping Global Governance, Climate and Nature Project'**. It enjoys an expanding number of global affiliates, from five principal sectors: global talents, global business, global civil society, global institutions and global governments.



At the heart of this effort is the United Nations, whose Deputy Secretary General, Ms Amina Mohammed, addressed the Foundation's **'State of the World Roundtable'** in February 2024 and spoke passionately about needing the Foundation's support in rebuilding global governance.



Recently, as a significant stepping stone to the meeting in Rome, the Foundation partnered with China's top international think-tank, the Center for China and Globalisation, for a Beijing Roundtable, which discussed and advanced the Project. **Refer to Appendix 3** for the report.



The Prime Minister of Australia, Hon Anthony Albanese, has also written to the Global Foundation, in support of the Rome Roundtable meeting, **refer to Appendix 9**.





It is proposed that the roundtable meeting will agree to issue a statement, with commitments and calls to action, including by individual participants through their respective networks, as well as through the collective efforts of the Global Foundation.

Among other impacts, this is intended to help to build a campaign ahead of the United Nations Summit of the Future, to be held in September 2024 and other milestone events over the next 2 years. A copy of the Draft Statement for the UN Summit of the Future is included in **Appendix 8**.

4 FOUR KEY THEMES FOR THE ROME ROUNDTABLE:



These four themes comprise the Rome Roundtable agenda.

'Global Governance', the **'Energy Transition'** and **'Innovative Nature Solutions'** will be discussed throughout the day on Monday 17 June.

Aviva Investors, a Key Partner of the Foundation, will lead two sessions on Tuesday 18 June, addressing the **'Global Financial Architecture'** to make it more fit-for-purpose in action on climate solutions. The papers in **Appendix 7** inform these sessions.



Dr Steve Waygood

Chief Sustainable Finance Officer
Aviva Investors

The intention in these sessions is to develop a roadmap to shift the paradigm to sustainable capital markets. Topics for discussion will include:

- Scene-setting - reflecting on what has been achieved in the 80 years since Bretton Woods and opportunity for the next 80 years.
- Shifting the Paradigm: What is the financial and economic system needed to build to deliver a just transition and where do we need to be by 2030, 2040 and 2050?
- Stocktake of today: thematic deep dive on aspects within the financial system, which are known barriers, using the systems change framework to looking actors, information flows and mechanisms.





5 CONDUCT OF THE ROME ROUNDTABLE:



The Foundation's leadership group will open and oversee the roundtable discussions, with Secretary General, Mr Steve Howard serving as the overall roundtable moderator.

The roundtable will be conducted in a fully collegiate manner, with the ability for all to contribute and to agree where possible and to disagree, respectfully, if necessary.

All sessions will be conducted at a single, large table, with all participants seated throughout. Several speakers have been identified in the Program to address each of the sessions, that will then be facilitated by moderators, with open discussion.





APPENDICES – REQUIRED READING IN ADVANCE

Participants will find papers attached that are required for reading ahead of the Rome Roundtable. Some are also hyperlinked in the above document and in the Roundtable Program.

They are as follows:

Appendix 1

'Assisi and the Chapel in the Woods' brochure – page 9-22

<https://globalfoundation.org.au/wp-content/uploads/2024/06/Assisi-and-the-Chapel-in-the-Woods-Brochure-International.pdf>

Appendix 2

Outcomes from the 'Dialogue between civilisations for the global commons' meeting at the Pontifical Academy of Social Sciences at the Vatican, held June 2023 – page 23-33

<https://globalfoundation.org.au/wp-content/uploads/2023/08/PASS-Statement-Booklet.pdf>

Appendix 3

Outcomes from 'Beijing Roundtable' of the Global Foundation, held 26 May 2024 – page 34-35

<https://globalfoundation.org.au/wp-content/uploads/2024/06/Beijing-Mission-Report.pdf>

Appendix 4

'Nature as Infrastructure' paper, Asian Infrastructure Investment Bank – page 36-43

https://www.aiib.org/en/news-events/asian-infrastructure-finance/_common/pdf/AIIB-Asian-Infrastructure-Finance-2023-Report.pdf

Appendix 5

'The Tropical Forests Forever Initiative', Government of Brazil – page 44-49

<https://globalfoundation.org.au/wp-content/uploads/2024/06/Brazil-Government-Tropical-Forests-Forever-Initiative.pdf>

Appendix 6

'The future governance of Antarctica' article – page 50-52

<https://globalfoundation.org.au/seeking-consensus-promoting-certainties/>

Appendix 7

Aviva Investors background papers – page 53-71

<https://globalfoundation.org.au/wp-content/uploads/2024/06/Renewing-the-global-financial-system-to-support-prosperity-for-people-and-planet-background-papers.pdf>

7.1

'Renewing the global financial system to support prosperity for people and planet' agenda – page 55-59

7.2

'Tipping Point' summary – page 60-61

7.3

'Assisi Accord' – page 62-71

Appendix 8

'Draft Statement for the UN Summit of the Future' – page 72-91

<https://globalfoundation.org.au/wp-content/uploads/2024/06/Draft-Statement-for-the-UN-Summit-of-the-Future.pdf>

Appendix 9

Letter of support from Australian Prime Minister, Hon Anthony Albanese – page 92

<https://globalfoundation.org.au/wp-content/uploads/2024/05/Letter-from-Albanese1-1.png>





The Global Foundation

Together, we strive for the global common good

Assisi and the Chapel of St Francis

A new global meeting place in the spiritual hub of the Patron Saint of Ecology



Index

Assisi and the Chapel of St Francis Brochure page 3-7

Architect's Designs of the Chapel in the Woods page 8-13

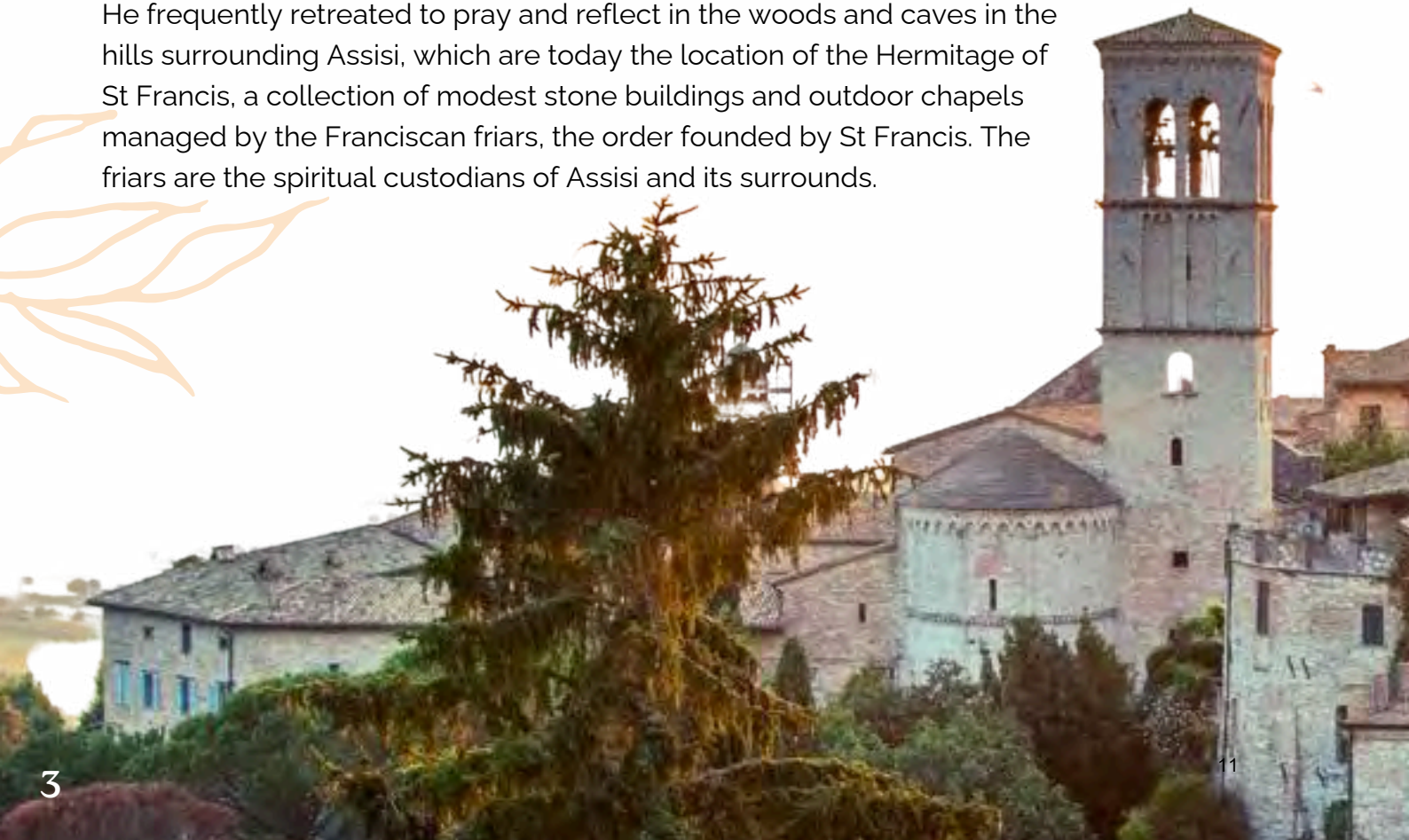
Access link to the Chapel in the Woods Video page 14

Assisi and the Chapel of St Francis

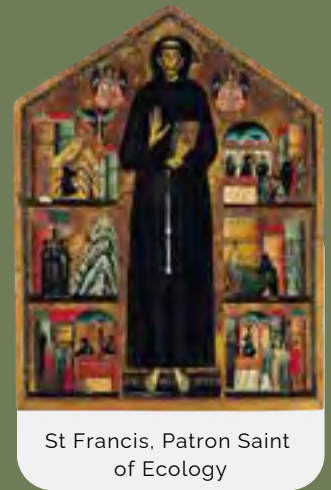
The Global Foundation is helping to further elevate the international standing of the Italian town of Assisi, renowned as the birthplace of St Francis, as a global hub for sustainability and for activities which promote the Foundation's central theme of 'cooperative globalisation'. The centrepiece of the project involves the construction of a small chapel in the woods of the Hermitage of St Francis, which will serve as an icon for a whole program of artistic, cultural and policy-shaping activities in Assisi and its surrounds, also digitally, to make the spirit of St Francis more universally available. The Chapel in the Woods of Assisi will be a meeting place, a spiritual destination and a centre of activities, *witnessing* to the beauty of creation, *promoting* the quest for global peace and *supporting* pathways of sustainability to care for our common home.

The story of Assisi and the Chapel in the Woods of St Francis of Assisi

The setting is the Italian hill-town of Assisi, located in the region of Umbria, approximately two and a half hours from Rome. A place of beauty, spiritual power and a rich cultural history, Assisi is known for being the birthplace of Saint Francis of Assisi, the Patron Saint of Italy and Patron Saint of Ecology. St Francis, who lived from 1181-1226, was an extraordinary man, remembered for his deep humility, devotion to nature, and tireless advocacy of peace. He frequently retreated to pray and reflect in the woods and caves in the hills surrounding Assisi, which are today the location of the Hermitage of St Francis, a collection of modest stone buildings and outdoor chapels managed by the Franciscan friars, the order founded by St Francis. The friars are the spiritual custodians of Assisi and its surrounds.



2026 will mark the 800th anniversary of St Francis' death, an occasion for high profile activities and commemorations of national and international significance. It serves as the target date for the full launch of the Assisi project, including the official opening of the chapel in the woods.



The Global Foundation and Assisi

For the past five years, the Global Foundation has enjoyed a special connection with Assisi, a city which shares many of the values and aspirations of the Foundation.

The connection began at one of the Foundation's global roundtable meetings, convened in Rome since 2014, including on occasions at the Vatican.

In Rome and through its networks, the Foundation was introduced to Professor Dr Stefania Proietti, the Mayor of Assisi. Professor Proietti encouraged the Global Foundation to consider using Assisi as a global meeting place as an alternative to major world capitals where global meetings would normally be convened. The intention of the mayor was to elevate Assisi to an even higher standard of international recognition as a special place where meetings of high purpose could occur, influenced by the spirit of St Francis.



Dr Stefania Proietti
signs the Assisi
Accord, 2022

Dr Mark Cutifani CBE,
Chair of the
Foundation's Global
Advisory Council, Assisi
Town Hall, 2022

The Foundation accepted the mayor's invitation and began convening meetings in Assisi, the most prominent of which took place in May 2022, when 50 invited participants from across the world, coming from diverse professional, social, political and religious backgrounds, met and forged the Assisi Accord, an ongoing agreement to harness global finance to incentivise investment in climate change action.



The Assisi Accord, 2022

Then, in early 2023, the mayor of Assisi introduced the Franciscan friars of Assisi to the Foundation, with a simple, yet momentous proposal: to help the friars to build a new chapel in the woods of the Hermitage that could be used year-round for religious and wider purposes. The idea dovetailed neatly with the existing and proposed plans for Assisi, such that the chapel would become central to a whole array of broader activities of arts, culture, and policy-shaping in Assisi and its

surrounding region, and also digitally, to fulfill the mayor's aspiration of elevating Assisi to become a go-to centre for global sustainability and cooperative globalisation.

Why Assisi?

It is the conviction of the Global Foundation that place matters, as does the involvement of talented and committed people from many diverse backgrounds, in considering solutions to some of the most pressing issues facing our planet. The values, culture and history of a place affect the mood of meetings and other activities that are held there. Today, Assisi is already a renowned global destination for visitors from many faith and other backgrounds, certainly for those who share the Franciscan message of peace and care for nature. The city also has a rich history of art and architecture and is recognised as a UNESCO World Heritage site.

As a city that places peace and sustainability at the centre of its values, Assisi is an ideal hub for the intimate, high-level global discussions convened by the Global Foundation. Convening discussions in Assisi influences the outcomes of those discussions in ways that would not happen in major capital cities. Put simply, Assisi changes people.

The new chapel and other local venues in Assisi are now imagined as meeting places that will elevate Assisi as a global hub for sustainability and ecology.



Secretary General, Steve Howard and Franciscan Friars in Assisi, 2023

Details

Fundraising committee

The Australian fundraising committee, appointed by the Board of the Global Foundation, comprises distinguished Australians:



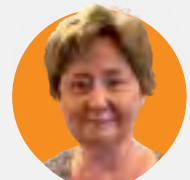
Mr Anthony Shepherd AO
Chairman, Fundraising Committee



Ms Louise Watson
Chairman of the Board, the Global Foundation



Ms Christine Christian AO
President, State Library of Victoria



Sister Adele Howard RSM OAM
Advisor, Eco-Theology and Communications

Additionally, the Foundation is establishing a cultural advisory committee for the project, comprising Italian and international supporters, who are providing further artistic and cultural guidance on the development of the project.



Chapel location, 2023

Location of the Chapel

The Hermitage of St Francis, or Eremo delle Carceri in Italian, is located in an enclave in the woods four kilometres outside of Assisi.



St Francis and St Clare with birds and animals, painting by Giotto di Bondone

Home to the sacred caves where St Francis retreated to pray, it is a place of beauty and spiritual power. It contains several outdoor chapels spread throughout the woods where St Francis talked to the birds and animals, and studied the stars. The Hermitage is now visitable by Franciscan friars [see here].

However, the Hermitage site, nestled in a national park, is ecologically fragile, and, although current visitation is open and free, as the friars prefer it, there are practical limits to the number of visitors who would be able to visit the site as it becomes more popular.

A very important practical consideration for the friars and for the city will be to manage access to the Hermitage in the future, taking into account the constraints of the site.

Project activities

The centrepiece of the Foundation's project is the construction of a modest chapel in the woods of the Hermitage of St Francis of Assisi, which will accommodate 70 people for religious and wider purposes.

Additional ideas for the Assisi project, which are being developed in collaboration with artistic and cultural experts and local stakeholders, include:

- collaborating with other existing heritage venues in Assisi, for high-level global meetings, as well as artistic and cultural events
- spiritual retreats in the area, extending beyond the current patterns
- a digital map of the sites of Assisi connected to the history of St Francis and to other spiritual places of global significance
- the possibility of organising larger, recurring cultural events with international appeal, utilising various sites and venues in Assisi, along with the chapel on special occasions.

The spirituality and symbolic ideals of St Francis are imagined as the thread connecting each of these activities.

Design of the chapel

The vision of the friars is to build a simple chapel in harmony with the natural surroundings, in honour of the tradition St Francis and his deep respect for the Earth. A beautiful design has been prepared by distinguished architects from the University of Florence using



The Hermitage of St Francis, Assisi (Eremo delle Carceri)

sustainable materials and design principles. In the words of the architects, it is a design that defies gravity and uplifts the soul, a shelter among the branches. The chapel will accommodate only 70 people in various, flexible configurations.

A detailed overview of the location, cultural significance, and artistic design of the project can be found in [this video](#).



Architects design of the chapel



Why donate?

This is a unique opportunity to contribute to the development of Assisi as a global hub of sustainability and peace in the spirit of St Francis, with celebrations of spirituality, art, history and architecture, and also to support high-level global meetings that will encourage notable agreements on climate, nature and cooperative globalisation.

Your donation will also contribute towards a wider project of positioning Assisi as a global hub of sustainability and cooperative globalisation, and digital efforts to bring the chapel and the message it symbolises to people around the world.

Donations in Australia are fully tax deductible. The Global Foundation enjoys the highest possible tax-deductible status (DGR) in Australia due to a special Act of Parliament. The funds will be overseen by the Board of the Global Foundation.

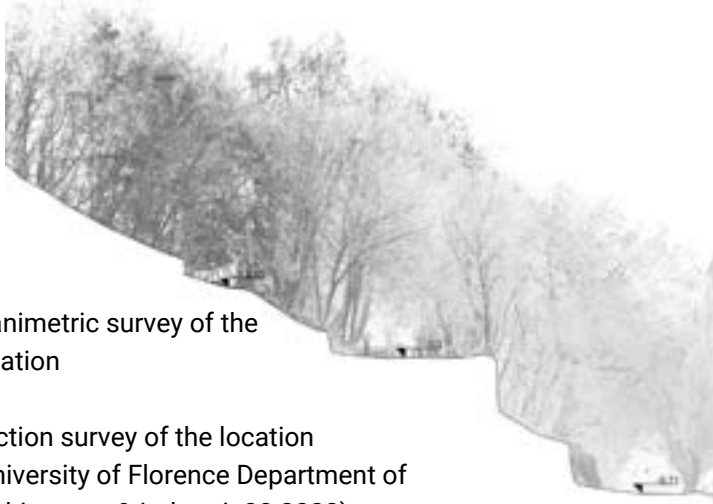
Donors will be acknowledged in Assisi and invited to visit Assisi and the chapel and given the opportunity to participate in future meetings and events held in Assisi, including those co-ordinated by the Global Foundation.

Who we are

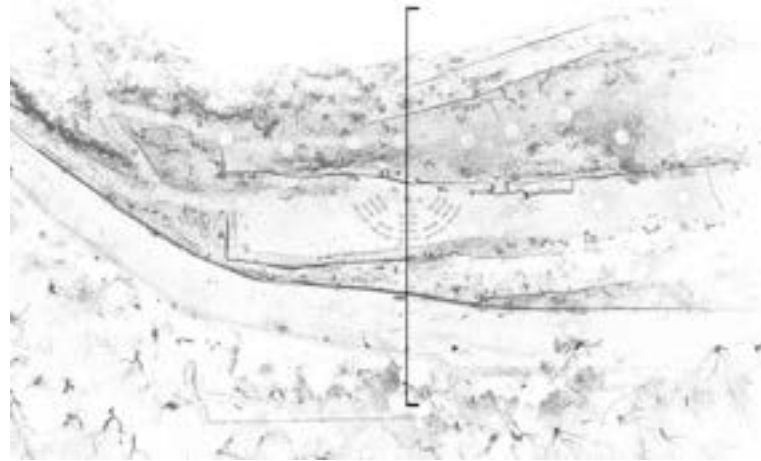
Founded by eminent Australians in 1998, the Global Foundation is a not-for-profit and non-partisan international organisation whose primary purpose is to unite prominent citizens of the world to discuss the most pressing global issues, find alignment, and work together to shape the global common good.

The Global Foundation comprises some of the world's most prominent business, union, academic, faith and civil society leaders. The Governor General of Australia is its Patron in Chief. Its Secretary General, Steve Howard, is supported by a small secretariat based in Melbourne, Australia.

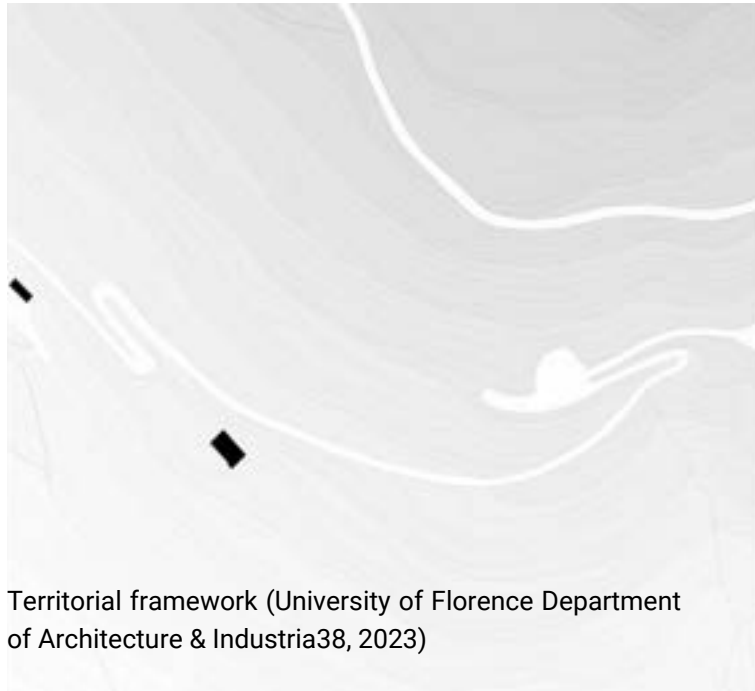
More information about the composition and work of the Global Foundation may be found [here](#). For more information contact: willow.osborne-rigby@globalfoundation.org.au



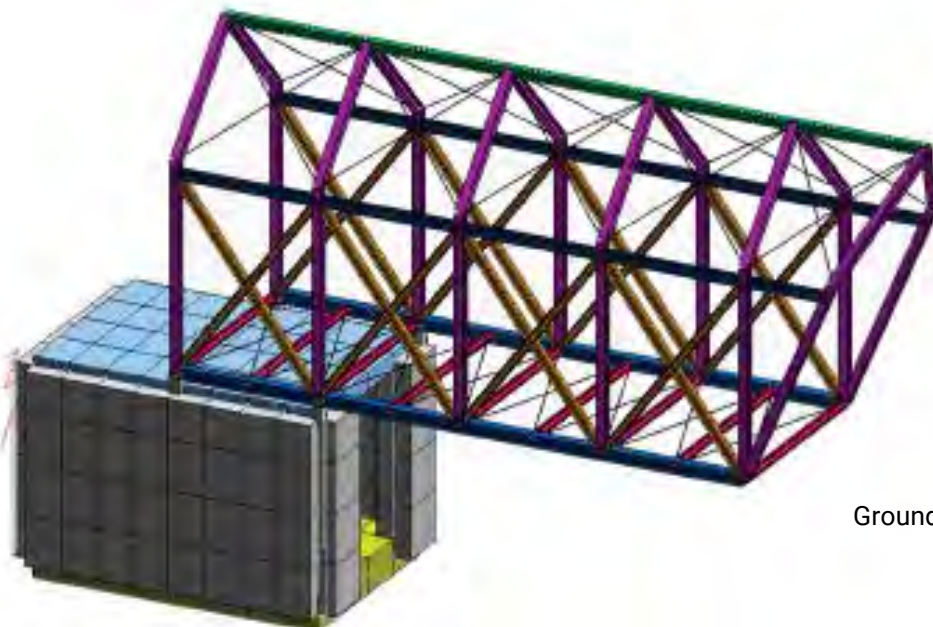
Planimetric survey of the location



Section survey of the location
(University of Florence Department of
Architecture & Industria38 2023)



Territorial framework (University of Florence Department
of Architecture & Industria38, 2023)



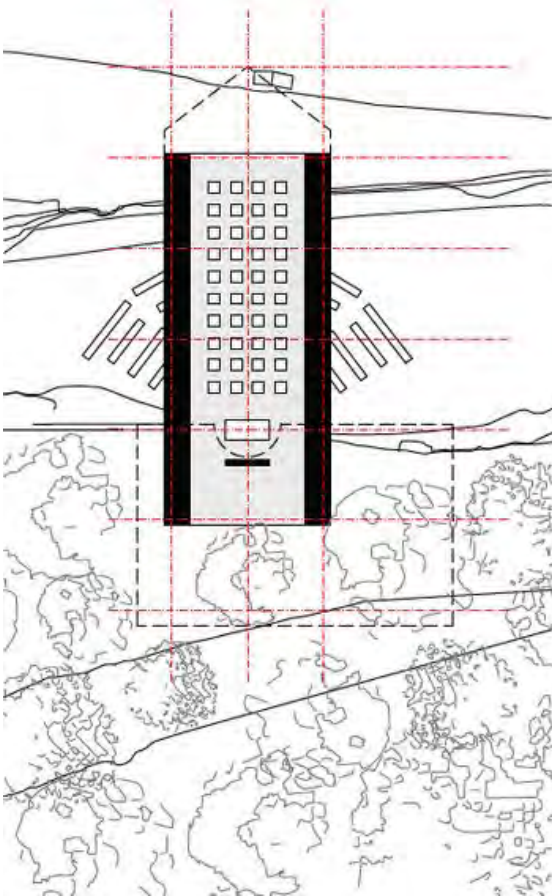
Ground floor plan



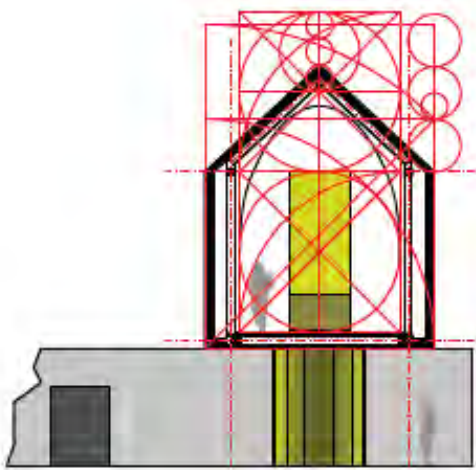
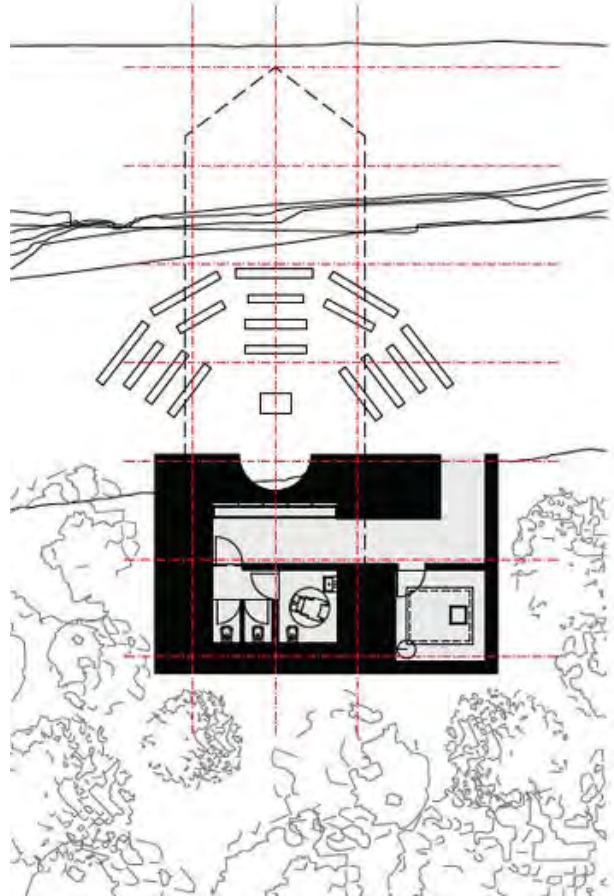




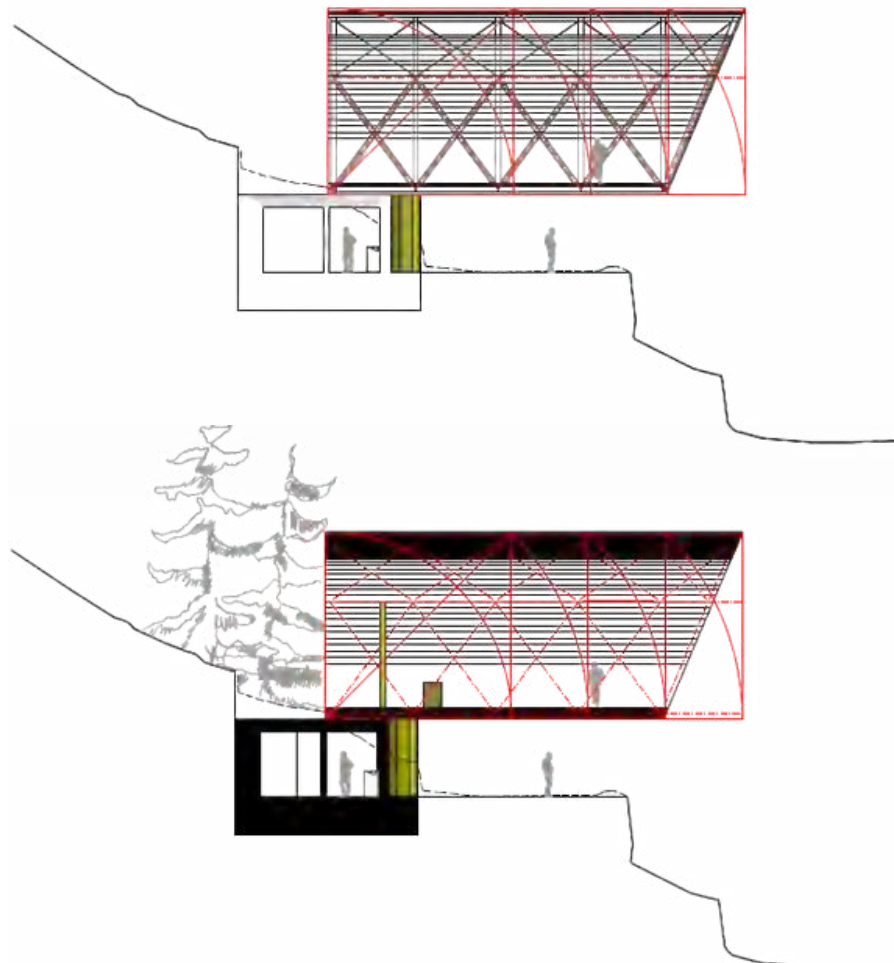
First floor plan (Chapel))

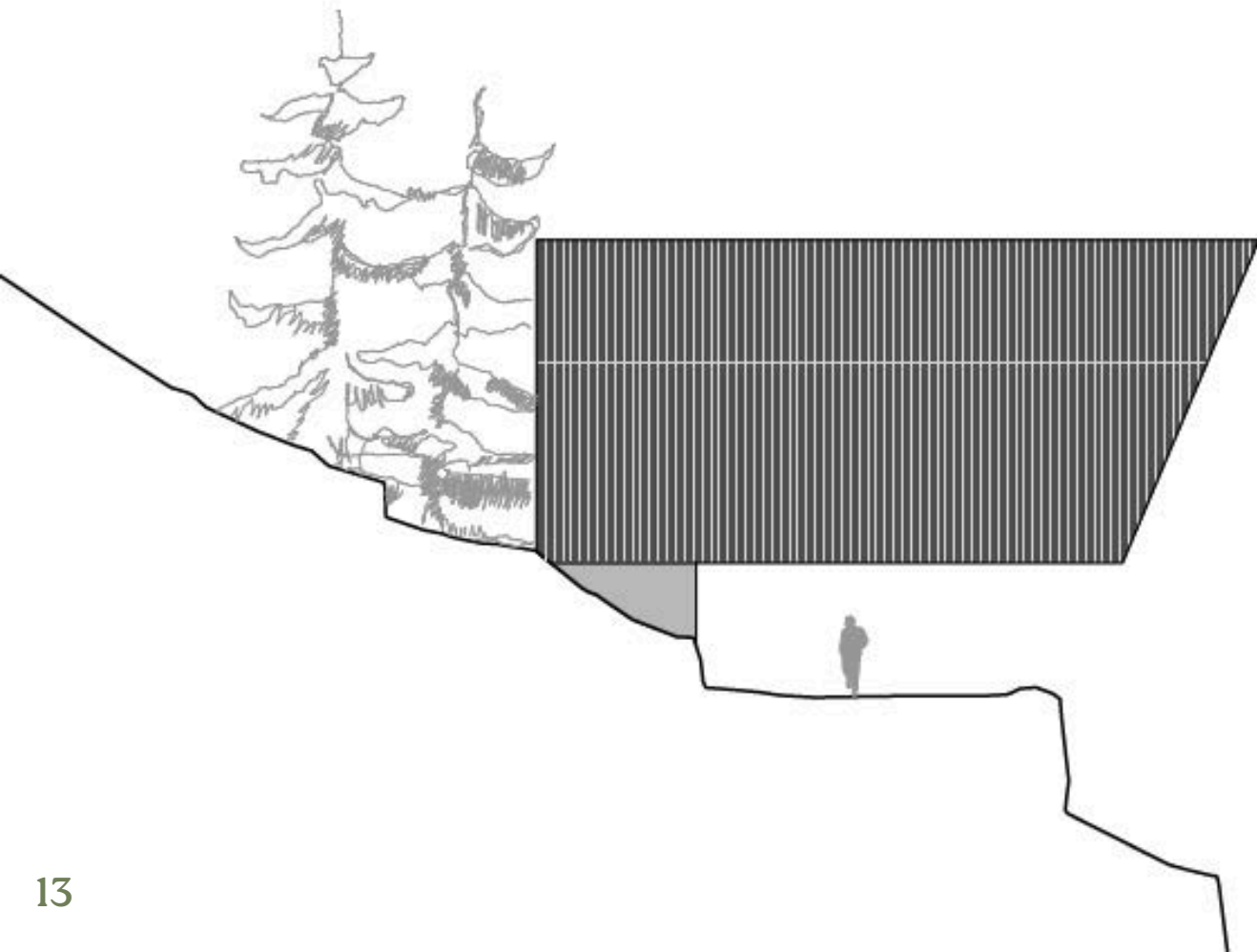
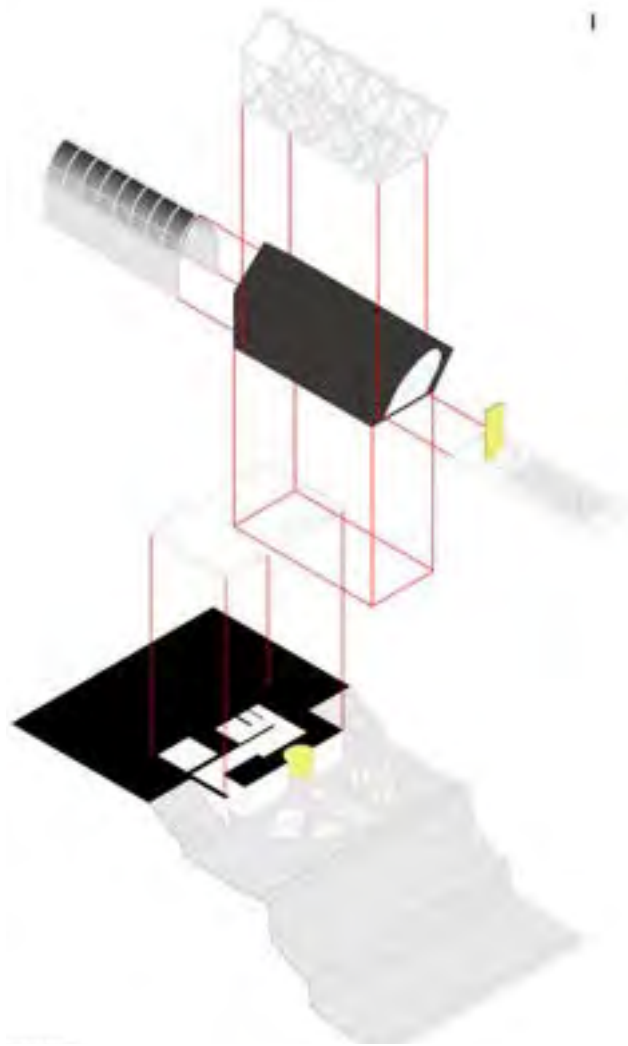


Structural plan



Longitudinal and transversal section drawings





[Click here to access the
Chapel in the Woods Video](#)



THE PONTIFICAL
ACADEMY
OF SOCIAL SCIENCES

DIALOGUE BETWEEN CIVILIZATIONS ON GLOBAL COMMONS

27-28 JUNE 2023 | CASINA PIO IV, VATICAN CITY



Organizers:

Jeffrey Sachs | PASS/SDSN/Columbia
Steve Howard | The Global Foundation
Riccardo Pozzo | PASS/Tor Vergata



'This is the first attitude leading to fraternal and cooperative globalization. It is necessary above all for each of us, personally, to overcome our indifference to the needs of the poor. We need to learn "com-compassion" for those suffering from persecution, loneliness, forced displacement or separation from their families. We need to learn to "suffer with" those who lack access to health care, or who endure hunger, cold or heat.

This compassion will enable those with responsibilities in the worlds of finance and politics to use their intelligence and their resources not merely to control and monitor the effects of globalization, but also to help leaders at different political levels – regional, national and international – to correct its orientation whenever necessary. For politics and the economy ought to include the exercise of the virtue of prudence.'

Extract from the address of His Holiness Pope Francis to the Round Table of the Global Foundation, Clementine Hall, the Vatican, Saturday, 14 January 2017.

Dialogue between Civilizations on Global Commons

STATEMENT FROM THE MEETING

We must implement the common good, first and foremost a common home with a common prosperity. With the world falling far behind the objectives of the Sustainable Development Goals (SDGs) and the Paris Agreement on climate change, on 27 and 28 June 2023 we convened at the Academy's Seat in the Vatican Gardens a meeting of scientists, economists, political scientists, sociologists, philosophers and theologians dedicated to the challenge of achieving the SDGs, as expressed in the United Nations 2030 Agenda, which articulates some key elements of the principle of the *common good*, and, as such, figures prominently in the activities of the Pontifical Academy of Social Sciences, of the Sustainable Development Solutions Network, and of the Global Foundation.

The meeting involved thinkers from many parts of the world who addressed these challenges through a dialogue between civilisations on the common good and against the backdrop of the 2015 encyclical letter of Pope Francis, *Laudato Si'—On Care for our Common Home*.

Towards a dialogically born culture

Cooperation for a better world starts with dialogue among ourselves and about our own beliefs. Today “we are not living an epoch of change so much as an epochal change,” as Pope Francis says [1]. We need a paradigm change from a dialogue of cultures to a dialogically born culture. As maintained by the contemporary Chinese philosopher Tu Weiming, dialogical culture does not stand for a mere exchange of views to know one another and mitigate the alienating tendencies that may accompany an encounter between citizens of diverse cultures. It must ignite an authentic dialogue within an ethical framework of requirements and attitudes for social objectives.

The requirements for dialogue are freedom, fraternity, and equality, as well a common search for truth. The notion of fraternal dialogue was first introduced into Catholic Social Teaching in the Apostolic Constitution of the Second Vatican Council, *Gaudium et spes* (§25). “Fraternity” stands here for a special kind of solidarity—the solidarity which exists among those who, despite their obvious differences and mindsets, are children of the same God, in stewardship of the same world, and who treat each other accordingly. From this perspective, engaging in a fraternal dialogue requires trust in the other with open hearts and open eyes. The first stage is to start to work together for some shared goal. As we work together, we start to move into the second stage, that is, we begin to recognize and appreciate the nobility of the motivation of the other who has entered into this shared practical project from a very different starting point from our own. The third is to allow that positions that are different from our own raise questions for our own way of seeing the world [2].

In 2017, the Congregation for Catholic Education issued guidelines on *Educating to Fraternal Humanism* that can be seen as a forerunner of the 2020 Papal encyclical letter on human fraternity, *Fratelli Tutti—On Fraternity and Social Friendship*. Despite cultural differences that affect the understanding of certain words, the SDGs point at common global challenges which require the cooperation of all countries

[1] Meeting with the participants in the fifth convention of the Italian Church: Address of the Holy Father, Cathedral of Santa Maria del Fiore, Florence: Tuesday, 10 November 2015.

[2] These three stages are proposed by Dominique Pire, the winner of the Nobel Peace Prize in 1958. See his book, *Building Peace*, London, Corgi Books, 1967

and which make the search for dialogue precious and not deferrable. We are called upon to align actions with words and to link ethical principles (e.g., peace, fairness, respect, democracy) with social and civic choices. As Pope Francis has pointed out, we need a “grammar of dialogue” that can “build bridges and ... find answers to the challenges of our time.”[3] Our common ground, the grammar of dialogue, entails cultivating the seeds of a grammar of the commons, and of an organic syntax of ethics. Our work shall be a combination of heritage put into action for the sake of worldwide benefit and in view of the flourishing of a rising and deepening cultural debate. And our common nature will emerge patently in conjunction with our heritage of values.

A conceptual nomenclature was discussed during the workshop, including: Compassion (to all beings) for SDG 13 & 15; Frugality (know when to stop, enough is enough) for SDG 12; Humility (Knowing human’s limit); Happiness as 福 (fu), the Chinese version of Happiness ευδαιμονία (eudaimonia), and its five dimensions of Longevity 寿 (shou), Plenty 富 (fu), Peace 康宁 (kangning), Loving Virtue 好德 (haode), Concern for next generations 考终名 (kaozhongming).


Emerging influence in world affairs

Presently, all members of the G20 are influential economies and major traders in the world. It would be expected from these nations to take the lead on such a dialogue, thereby also signaling a kind of moral leadership and accountability to all humanity.

In recent decades, China’s economic and political importance has grown on an unprecedented scale and speed, returning China to a preeminent position in the world system that it enjoyed over much of the past 2,000 years. Recent international developments, including the launch by China of new global frameworks such as the Global Development Initiative and the Global Civilizations Initiative, and new multilateral institutions such as the Belt and Road Initiative, the Asian Infrastructure Investment Bank, the Regional Comprehensive Economic Partnership and China’s own growing presence in key international institutions, show a newfound Chinese pro-activeness in the international sphere. This re-emergence of China has resulted in an increase in bilateral and multilateral engagements on a vast variety of issues such as trade, research/technology, sustainable development, climate change, foreign direct investment, and human rights. At the same time, China’s rapid rise has created tensions with the United States and some other countries. Overcoming fear and generating a dynamic of trust in international relations is now a major and urgent requirement in the current state of the world.

Because of China’s and India’s increasingly key role in global matters, it is important for the two countries to engage proactively and constructively with the rest of the world; and it is equally important for the rest of the world to engage constructively and cooperatively with both China and India, so that all parts of the world may have a better understanding of each other. This update and upgrade in relations and understanding must be based on objective analysis grounded in facts and insights from science and research which is carried out by the academia and independent think-tanks, as well as surveys and trend analysis on the experiences of stakeholders across a number of fields. At the intersection of science, economics, and global affairs, with this workshop we foster stronger bridges between all nations and regions of the world.

[1] *Educating to Fraternal Humanism: Building a “Civilization of Love”: 50 Years After Populorum Progressio: Guidelines*, Vatican, Congregation for Catholic Education, 2017, 12- 13.



In conclusion, the SDGs underscore that achieving the common good requires urgent and significant global cooperation, both within regions and across regions of the world. Some directions of common work are as follows:

1. Reorienting economies towards the common good to raise human well-being and planetary flourishing 繁荣 (fanrong), and to reduce inequalities of opportunities and outcomes. In this perspective, the redesign of the current System of National Accounts should be pursued not only to go “beyond GDP,” but also to build a new system focused on the measurement of well-being now and prospectively in the future. New measurements of a Fraternal and Sustainable Economy for the Common Good must ensure that the well-being of humanity and of the planet are at the core of the SDGs, and are in line with the philosophy of the 2030 Agenda and the concept of integral ecology as defined in *Laudato Si’*.
 2. Promoting new global governance arrangements to oversee the sustainability of the global environmental commons, including the climate, the oceans, biodiversity, world heritage sites, and to ensure a fair and just transition that advantages the poor. The formulation of such arrangements should be affiliated with the United Nations and its many institutions and should involve governments as well as religious groups, civil society, enlightened businesses and investors, educators, students, and young people around the world.
-

Background

We need to implement global commons, first and foremost a common home with a common prosperity. As the Holy Father makes clear, we need to ensure that the global community, shaped by institutions, agencies, and representatives of civil society, can effectively achieve common goals and obligations that have been solemnly declared and assumed. These include the 2030 Agenda for Sustainable Development and the Sustainable Development Goals.

China and India, the US, Australia, and the EU are all influential economies and major traders in the world. In recent decades, China's economic and political importance has grown on an unprecedented scale and at an unprecedented speed. Recent developments within the international system, including the creation of new global frameworks and multilateral institutions such as the Belt and Road Initiative, the Asian Infrastructure Investment Bank, the Regional Comprehensive Economic Partnership and China's growing presence in key international institutions, evidence a newfound Chinese proactiveness in the international sphere. Today, China and India are global actors and leading scientific and technological powers.

This development has resulted in an increase in bilateral and multilateral engagements on a vast variety of issues such as trade, research/technology, sustainable development, climate change, foreign direct investment, and human rights. At the same time, this rise has revealed challenges for incorporating China and India into the United Nations 2030 Agenda with its various specificities, complexities, and goals, and respond to the country's rapid evolution and new policy directions. As China becomes even more engaged in a wide array of policy areas, upgrading, supporting, connecting and mainstreaming knowledge on this development outside of China itself has become a necessity for policy-makers, stakeholders, and civil society at large, in order to best navigate strategic opportunities and challenges with foresight, instead of reacting to them after they have happened.

Because of China and India's increasingly central role in global matters, it is important for the world to get to know and understand China and India on their own terms—not through the lens of external sources but from their own perspective. This update and upgrade must be based on objective Europe- an analysis grounded in facts and insights from science and research carried out by academia and independent think tanks, as well as surveys and trend analysis on the experiences of stakeholders across a number of fields. At the intersection of science, eco-economics, and global affairs, the conference will support an independent understanding of China and India and their overall defining social, economic, and political characteristics. The conference's scope will not be limited to scholars of theology, philosophy, and the law. Starting from Rome, it will produce spin-offs that will involve the general public, the judiciary, and the school systems, the economic operators as well as nonprofit organizations.

Cooperation for a better world starts with thinking about ourselves and our own beliefs. We are witnessing a paradigm change from a dialogue of cultures to a dialogically born culture. In 2017, the Congregation for Catholic Education issued *guidelines on Educating to Fraternal Humanism: Building a Civilization of Love* that can be seen as a forerunner of the encyclical letter *Fratelli Tutti*. As also maintained by Tu Weiming, dialogical culture does not stand for a mere exchange of views to know one another and mitigate the alienating effect of the encounter between citizens of different cultures. It must ignite an authentic dialogue within an ethical framework of requirements and attitudes for social objectives. The ethical requirements for dialogue are freedom and equality. Dialogue participants must be free from contingent interests and prepared to recognize the dignity of all parties.

These attitudes are supported by consistent dialogue with one's values. This results in a general intention to align actions with words and link ethical principles (e.g., peace, fairness, respect, democracy) with social and civic choices. As Pope Francis pointed out, we need a "grammar of dialogue" that can "build bridges

and ... find answers to the challenges of our time” (Congregation for Catholic Education 2017, 12- 13).

Among the questions we will address are:

1. Evaluate contemporary China and India’s social, cultural, political, and economic characteristics; assess the impact of their global policy; and understand their compliance with international obligations/laws/norms.

2. Examine new global narratives and their interactions with the SDGs to identify potential areas for global cooperation.

3. Develop and network independent knowledge and expertise on contemporary China and India to enhance fact-based policy-making, increase knowledge sharing, create synergies between knowledge nodes, and complement existing knowledge-enhancing strategies.

Funding Agencies

Duke Kunshan University Humanities Research Center

Italian Alliance for Sustainable Development

Study Center and Magazine *Confronti*

The Global Foundation

Tor Vergata University of Rome, DSPFS

UN Sustainable Development Solutions Network



Program

DAY 1 • TUESDAY, 27 JUNE 2023

3:00 – 3:30 PM: Opening Session

H.Em. Cardinal Peter K.A. Turkson *PASS Chancellor*
Prof. Sr. Helen Alford *PASS President/Angelicum University*
Prof. Jeffrey Sachs *PASS/SDSN/Columbia University*
Mr. Steve Howard *The Global Foundation*

3:30 – 4:15 PM: Global Commons

H.Em. Cardinal Peter K.A. Turkson *PASS Chancellor (introduction)*
Dr. Henry Wang *Center for China and Globalization*
Prof. Enrico Giovannini *ASviS/Tor Vergata University*
Ms. Aparna Tandon *ICCROM/National Museum Institute New Delhi*

4:15 – 4:30 PM: Coffee Break

4:30 – 5:15 PM: SDG 1 No Poverty & SDG 2 Zero Hunger

Prof. Sr. Helen Alford *PASS President/Angelicum University (introduction)*
Dr. Anthony Annett *Columbia University*
Dr. Sharon Small *East China Normal University*
Prof. Riccardo Pozzo *PASS/Tor Vergata University*

5:15 – 6:00 PM: SDG 3 Good Health and Well-Being & SDG 4 Quality Education

Prof. Rocco Buttiglione *PASS/San Pio V University (introduction)*
Prof. Ana Marta Gonzáles *PASS/University of Navarra*
Prof. Brook Ziporyn *University of Chicago*
Prof. Massimo Dell'Utri *University of Sassari*

6:00 – 6:30 PM: Open Discussion

Prof. Jeffrey Sachs *PASS/SDSN/Columbia University*

6:30 PM: Dinner at the Pontifical Academy

DAY 2 • WEDNESDAY 28 JUNE 2023

9:00 – 9:15 AM: Introductory Remarks

Prof. Jeffrey Sachs *PASS/SDSN/Columbia University*

9:15 – 10:00 AM: SDG 5 Gender Equality & SDG 6 Clean Water and Sanitation

Sr. Adele Howard *Dicastery for Promoting Integral Human Development (introduction)*
Prof. Xiang Zairong *Duke Kunshan University*
Prof. Una Stojnić *Princeton University*
Dr. Mabel Lu Miao *Center for China and Globalization*

10:00 – 10:45 AM: SDG 7 Affordable and Clean Energy & SDG 8 Work and Economic Growth

Dr. Sabina Ratti *ASviS/LUISS University (introduction)*

Prof. Cui Xiaojiao *Beijing Normal University*

Dr. Joseph Pratt *Pari Center*

Prof. Francesco Luca Basile *University of Bologna*

10:45 – 11:00 AM: Coffee Break

11:00 – 12:45 AM: SDG 9 Industry, Innovation, and Infrastructure, SDG 10 Reduced Inequalities, & SDG 11 Sustainable Cities and Communities

Prof. Stefano Zamagni *PASS/University of Bologna (introduction)*

Prof. Jiang Yi *Shanxi University*

Prof. Natalie Nenadic *University of Kentucky*

Prof. Leonardo Becchetti *Tor Vergata University*

12:45 AM – 1:30 PM: SDG 12 Responsible Consumption and Production, SDG 13 Climate Action, SDG 14 Life below Water, & SDG 15 Life on Land

H.E. Msgr. Marcelo Sánchez Sorondo *Former PASS Chancellor (introduction)*

Prof. Robin Wang *Loyola Marymount University*

Prof. James Miller *Duke Kunshan University*

Dr. Steve Waygood *Aviva Investors*

1:30 – 3:00 PM: Lunch

3:00 – 4:30 PM: SDG 16 Peace, Justice and Strong Institutions

Prof. Paolo Naso *Sapienza University/Confronti (introduction)*

Prof. Yang Guorong *East China Normal University*

Dr. Rupert Li *King & Wood Mallesons*

Prof. Daniele Archibugi *CNR/Birkbeck College*

4:30 – 5:00 PM: Coffee Break

5:00 – 6:00 PM: Draft Statement and Group Discussion

Prof. Jeffrey Sachs *PASS/SDSN/Columbia University*

Prof. Gloria Fiorani *Tor Vergata University*

List of Participants

Dr. François-Xavier Adam

Institut Français Centre Saint-Louis

Prof. Sr. Helen Alford, OP

President, PASS/Angelicum University

Dr. Anthony Annett

Columbia University

Prof. Daniele Archibugi

CNR/Birkbeck College

Mr. Filip Badovinac

University of Zagreb Graduate Student

Prof. Francesco Luca Basile

University of Bologna

Prof. Leonardo Becchetti

Tor Vergata University

Dr. Andrea Bonicatti

ASviS

Prof. Rocco Buttiglione

PASS/San Pio V University

Prof. Cui Xiaojiao

Beijing Normal University

Prof. Massimo Dell'Utri

University of Sassari

Prof. Gloria Fiorani

Tor Vergata University

Dr. Timon Gatta

Catholic University of the Sacred Heart/ Tor Vergata University

Prof. Enrico Giovannini

ASviS/Tor Vergata University

Mr. Giuseppe Ginepro

Sapienza University Graduate Student

Mr. He Yuanlong

Columbia University Graduate Student

Sr. Adele Howard, RSM OAM

Dicastery for Promoting Integral Human Development

Mr. Steve Howard

The Global Foundation

Prof. Jiang Yi

Shanxi University

Mr. Rupert Li

King & Wood Mallesons

Dr. Giulio Lo Iacono

ASviS

Ms. Gabriella Marino

PASS

Ms. Jacqueline Merhej

Pari Center

Dr. Mabel Lu Miao

Center for China and Globalization

Prof. James Miller

Duke Kunshan University

Prof. Paolo Naso

Sapienza University/Confronti

Prof. Natalie Nenadic

University of Kentucky

Dr. Ottavia Ortolani

ASviS

Ms. Sharon Paculor

SDSN

Dr. Claudio Paravati

Confronti

Prof. Riccardo Pozzo

PASS/Tor Vergata University

Dr. Joseph Pratt

Pari Center

Dr. Sabina Ratti

ASviS/LUISS University

Ms. Ermelinda Rodilosso

Tor Vergata University Graduate Student

Prof. Jeffrey Sachs

PASS/SDSN/Columbia

Dr. Sonia Ehrlich Sachs

SDSN

Prof. Franco Salvatori

Tor Vergata University/Mercator University

H.E. Msgr. Marcelo Sánchez Sorondo

Former PASS Chancellor

Dr. Sharon Small

East China Normal University

Prof. Una Stojnić

Princeton University

Ms. Aparna Tandon

ICCROM/National Museum Institute New Delhi

Dr. Flavia Terribile

ASviS

H.Em. Cardinal Peter Turkson

PASS Chancellor

Msgr. Dario Edoardo Viganò

PASS Vice Chancellor

Dr. Henry (Huayo) Wang

Center for China and Globalization

Prof. Robin Wang

Loyola Marymount University

Ms. Wang Siyu

Duke Kunshan University Undergraduate Student

Dr. Steve Waygood

Aviva Investors

Prof. Xiang Zairong

Duke Kunshan University

Mr. Xie Hui

Tor Vergata University Graduate Student

Prof. Yang Guorong

East China Normal University

Prof. Stefano Zamagni

PASS/University of Bologna

Mr. Zhang Tianyu

Duke Kunshan University Undergraduate Student

Prof. Brook Ziporyn

University of Chicago



BEIJING MISSION

Report from the Roundtable

The Global Foundation
Together, we strive for the global common good

25-27 May 2024
CCG's 10th China and Globalization Forum

Forming a crucial part of the Foundation's '[Shaping agreement on Global Governance, Climate and Nature' Project](#), and continuing its more than 25-years of engagement with China on global issues, the Global Foundation convened a global roundtable meeting in Beijing, comprising its partners, supporters and guests, from 25-27 May 2024.

The Beijing Roundtable took place against a backdrop of improving bilateral relations between China and Australia and just ahead of the visit to Australia by Chinese Premier Li Qiang, to meet with the Australian Prime Minister, Hon Anthony Albanese.

The Beijing meeting also preceded and informed the Foundation's major global meeting for the year, to be convened in Rome from 16-19 June and then in other global locations over the next 3 years.

The Foundation and its delegation were honoured to partner in Beijing with the Center for China and Globalization for its [10th Annual China and Globalization Forum](#), a highlight of which was the roundtable discussion co-chaired by Dr Mabel Miao, CCG Secretary General, and Mr Steve Howard, Secretary General of the Global Foundation, entitled 'Shaping the Future: Global Governance of Climate and Nature.

The key messages from this exceptional dialogue may be found below. A full video recording of the meeting maybe found [here](#).

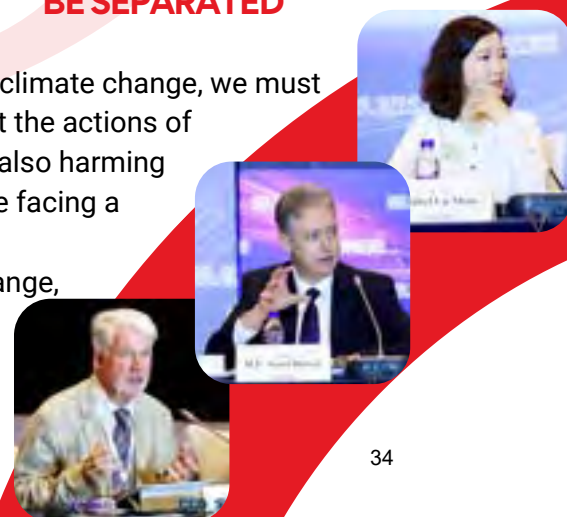
THE NEED FOR CHINA'S CENTRAL INVOLVEMENT

The fact that such a high calibre global dialogue was convened in China is significant. Indeed, a common thread during the roundtable discussion was that action on climate change and the preservation of nature would not be effective without China's central involvement. This point can be extended to Asia more broadly. Asia is responsible for 50% of emissions, and therefore, as Erik Berglof, Chief Economist of the Asian Infrastructure Investment Bank said, "this fight will be won or lost in Asia."

Roundtable contributors shared several examples of China's leadership in environmental action, including becoming a global leader in electric vehicles and being the first government to develop top-down green finance guidelines.

NATURE AND CLIMATE SHOULDN'T BE SEPARATED

In discussing climate change, we must not forget that the actions of humanity are also harming nature. We are facing a 'triple threat' of climate change, pollution, and biodiversity loss.



Participants discussed the necessity of reforming the global financial system to place monetary value on nature, incentivising investment in its preservation. For example, the Asian Infrastructure Investment Bank (AIIB) has recently launched a report on the concept of '[nature as infrastructure](#)'.

Similarly, UNDP China is working with countries on the next generation of nationally determined contributions (NDCs) that go beyond climate change and include biodiversity, bringing together climate and nature into an inclusive transition that leaves no one behind.

It was also noted that nature can help humanity address the climate crisis, for example in capturing carbon.

THE NEED TO MAINTAIN FREE AND OPEN TRADE SO GREEN TECHNOLOGY IS INTERNATIONALLY AVAILABLE

Different nations possess different levels of technology, research capabilities, and financial resources. Yet, climate change does not respect the boundaries of nation states; progress in one region of the world can be offset by continued reliance on coal and other unsustainable practices in other regions. In other words, "we don't win unless we all win."

International collaboration and communication are crucial, and access to green finance for green technologies must be shared between the developed world and emerging economies, for the benefit of humanity. Financial institutions need to be reformed so that addressing climate change does not create unmanageable debt burdens for countries of the Global South. No country should have to choose between development and climate.

THE NEED FOR BETTER DATA, MEASURING, AND CONSISTENT INTERNATIONAL TAXONOMIES OF WHAT IS GREEN

A business needs to measure, and it needs to be confident in what it's measuring. Agreeing on methods and standards that are internationally consistent and transparent will be key to engaging global industries in the energy transition and activities that benefit nature. Green finance products are most useful when there are a set of

internationally recognised definitions of what economic activities are 'green.' Participants raised the Common Ground Taxonomy agreed upon by China and the European Union, and soon Singapore, as a positive example of international cooperation in this area.

NEED TO RETHINK MINDSET, TO PUT SUSTAINABILITY AT FRONT OF INTERNATIONAL COOPERATION

Climate change and the preservation of nature are no longer simply questions of science, but of politics, economics, and what we value as global society. Creating a sustainable future for humanity doesn't just require technical solutions, but a shift in mindset. The US, for example, recently put a 100% tariff on Chinese electric vehicles, highlighting that geopolitical rivalries are still being prioritised over the global common good.

There is an urgent need to re-think and re-make globalisation, that is fair and just, inclusive, as well as prosperous. This re-thinking needs to apply to all societies. Roundtable participants suggested that sustainability – and therefore collaboration and cooperation – should instead be placed front and centre of internationalism and new, green 'globalisation'.

FINANCE FOR ADAPTATION

Several participants highlighted that a certain level of climate change is already "locked in." Mobilising finance for adaptation and resilience, as well as mitigation, is therefore greatly important. This should include finance for creating resilient social services, like health and education systems, that can continue during extreme weather. This will help to reduce the impact of climate change on vulnerable populations, including children.





ASIAN INFRASTRUCTURE
INVESTMENT BANK

ASIAN INFRASTRUCTURE FINANCE 2023

NATURE AS INFRASTRUCTURE



FOREWORD

Nature is a form of infrastructure, and a very special form so far as humanity is concerned. While infrastructure is commonly understood as being a human construction, nature is the most essential form of infrastructure that can be imagined. Nature has the power to feed us, heal us and help us grow. We depend on nature, and the biodiversity it facilitates, for our food, energy, water, resources, medicine, employment and leisure. Humankind cannot exist without nature.



Our natural world is the most fundamental type of infrastructure that can be conceived. Indeed, human imagination could not have created the modern marvel of today's man-made infrastructure systems were it not for the immaculate conception of our living planet replete with a system of natural infrastructure designed through billions of years of evolutionary wisdom.

The history of infrastructure development is a history of overcoming the barriers to connection that frustrate the satisfaction of human needs and of reshaping our natural world according to human desire. From the Roman aqueducts that were among the earliest infrastructure for agricultural and urban life, through to China's Grand Canal which has connected China's North and South over the last 2,500 years with an endless flow of passengers and goods. Today, infrastructure laces between every corner of our planet, in what must appear like a rapidly multiplying organism when viewed by the untrained extraterrestrial eye.

Over the last two centuries, the infrastructure built by humankind has proliferated in scale and complexity. Railways, expressways, tunnels, bridges, seaports, airports, telecommunications towers, power plants and more – our modern infrastructure has catalyzed global trade and economic growth, which itself is underpinned by the invisible infrastructure of an international financial system that instantly channels financial resources for trade and investment. This marvelously complex system of infrastructure has enabled human living standards to improve across our world faster than in any other period of history.

However, we now face a crisis of our own doing. Seventy-five percent of the planet's land surface is significantly altered. Over 85 percent of wetland areas have been lost. Around one million species already face extinction, many in the next few years, with the global rate of extinction at least tens to hundreds of times higher than the average over the last 10 million years (IPBES, 2019). Even the operation of critical human infrastructure is more frequently coming into tension with basic human needs as our climate changes and the symbiotic relationship between human and natural worlds fray. As climate change accelerates, human infrastructure's dependency on natural infrastructure will wither further in previously unexpected ways.

One such example is the Panama Canal. Considered a marvel of modern engineering at the time of construction, the Panama Canal was constructed as a lock-system that depended on natural flows of fresh water, instead of a sea-level option which asked less of nature over the long term but needed significantly more excavation and was thus more costly in the short term. In other words, it was a classic case of the infrastructure investment dilemma: short-term expediency versus long-term benefit.

Nowadays, the canal faces severe capacity restrictions following an extended drought in 2023. Every ship crossing requires a discharge of 52 million gallons of fresh water from Lake Gatun to fill canal locks and complete a crossing via this same lake, which also supplies drinking water to 50 percent of Panama's population. In an effort to preserve drinking water supply, canal operators reduced capacity from an average of 36 daily crossings down to 25 daily crossings in November, with an even more severe reduction to 18 daily crossings expected from February 2024 onwards. With three percent of global trade passing through the Panama Canal, such unprecedented restrictions have concerning implications for global trade and shipping costs, highlighting the fragile relationship between our planet's natural infrastructure and the human infrastructure built upon it.

We humans have yet to fully understand the subtle symbiosis between natural and human infrastructure. Over the last several hundred years, we have been indulgent in satisfying our insatiable appetite for nature's endowments with devastating consequences. We have been relentless in extracting from nature whatever we want; not just to meet our basic needs, but all too often to gratify our immense relish for luxury and material acquisition. In our pursuit of such vanity, we have been in the course of nibbling bare the very essence of nature as infrastructure which sustains our survival and offers humans the promise of long-term decent living conditions.

Nowadays, we are suffering from an increasing number of natural disasters that stem from our irresponsible behavior. Disasters that appear natural at face value – fires, floods, droughts, desertification, even earthquakes – are induced by human activity, and consequently, all other species are falling victim to the imprudent human way of life. Yet other species will not protest; they will not take to the streets. They simply disappear. Humans cannot survive alone on this planet. It is high time to stop this destructive process and reverse the course toward more sustainable behaviors. It is high time for us to come to terms with nature; we cannot keep asking for more.

This process of reconciliation must begin by understanding and recognizing the value that nature can offer us. Our ambition must be to turn the idea of nature as infrastructure from an abstract concept into an impactful asset class that commands increasing levels of investment and regulatory attention. Quite rightly, nature and biodiversity are thus growing areas of importance for AIIB.

Recent years have seen important global progress in halting and reversing the loss of nature and biodiversity. The Kunming-Montreal Global Biodiversity Framework agreed at the 15th Meeting of the Conference of Parties to the UN Convention on Biological Diversity (CBD COP15) has established an action roadmap with four overarching goals and 23 ambitious targets that must be completed by 2030. Rapid progress in the next few years is necessary to stop short of and pull back from looming tipping points of irreversible damage in natural assets and extinction risk for millions of precious species.

This year's Asian Infrastructure Finance (AIF) report provides a critical foundation for our thinking on biodiversity. While there are many rich insights contained within this year's AIF report, I would like to highlight three that stood out to me.

Firstly, AIIB's geographical scope of operations includes regions which are amongst the most exposed to our planetary biodiversity crisis. The Asia-Pacific, for example, has already lost 55 percent of its biodiversity, making this region particularly vulnerable to the effects of further loss (WWF, 2022). We at AIIB are therefore duty bound to make a meaningful difference.

Secondly, as an infrastructure investment bank, we must be open and honest about the risks of negatively impacting natural surroundings and species. We must look at nature through a new lens to explore how nature itself can deliver infrastructure services, build the case for integrating nature-based solutions into traditional infrastructure, and go beyond minimizing and mitigating impacts by enabling nature-positive investments.

Finally, nature matters to us in a special way because of our multilateral mission. Nature and biodiversity issues – like climate – traverse national boundaries. AIIB can lead from the front, bringing together our 109 Members to develop joint approaches for tackling these crises together.

As a multilateral development bank (MDB) with a growing portfolio of projects – standing at USD45 billion today – AIIB has a vital role to play. This includes collaborating closely with our MDB partners to implement the COP26 Joint Statement by the MDBs on Nature, People and Planet which commits us to: mainstreaming nature into our policies, analysis and investments; valuing nature so as to guide decision-making; supporting members with implementing nature-based solutions; and developing tools and methodologies for tracking nature-positive investments. It also means implementing relevant areas of the Global Biodiversity Framework, particularly those related to mainstreaming nature, managing and disclosing risks, and – perhaps most importantly – substantially increasing financial flows toward nature and biodiversity investments.

This year, AIIB published its first Climate Action Plan (CAP). In the CAP, we detailed our commitment to offering our clients tailored, holistic, local solutions by mitigating climate change, complementing adaptation efforts and maximizing co-benefits for nature and biodiversity. By viewing nature as infrastructure and integrating nature-based solutions into infrastructure design, we can enhance climate resilience and provide alternative solutions to withstand a range of climate change events, such as flooding, drought and urban overheating. Our Bank is committed to becoming a key driver of mitigation and adaptation finance in Asia by demonstrating our ambition to mobilize our capital, capacity and convening power to help our members in their efforts to address climate change.

Furthermore, next year, AIIB will develop its first Nature Action Plan which will detail how we plan to (i) integrate considerations for nature-based solutions into project identification, design and operations, (ii) establish partnerships to provide catalytic financing, and (iii) enable opportunities for nature-positive investments to be scaled up across our portfolio and in our region.

AIIB's four thematic priorities provide a helpful framework for how we might mainstream biodiversity considerations in the future. For example, nature-based solutions are a form of green infrastructure which contribute to the fight against climate change while offering other environmental benefits such as biodiversity conservation. Nature can also provide technology-enabled solutions which enhance the efficiency of grey infrastructure projects, such as mountain forests which improve water capture and reduce soil erosion around hydropower plants. Regional cooperation lies at the heart of integrated river-basin management, mangrove rehabilitation that improves flood protection for riverine and coastal communities, and the installation of wildlife corridors to support migration routes for endangered mammals and bird species – such as along the East Asian-Australasian Flyway. Finally, the private sector must participate. A growing ecosystem of players are making substantive progress on nature-positive investments – development finance institutions, philanthropy, and the private sector – and MDBs must work together to coordinate these players into a common coalition for catalytic change.

AIIB is determined to be a pioneer in this essential arena. This year's Asian Infrastructure Finance report is therefore timely and will help to ensure AIIB's approach is data-driven and analytically robust. Just as biodiversity is stronger in symbiotic diversity, partnerships will be essential for humanity's effort to mainstream biodiversity protection and enhancement into our normal economic activity. As such, we hope this report is used as a resource by our Members, clients and development finance partners in our collective efforts to avoid the biodiversity tipping points ahead. While the challenges ahead are certainly daunting, the health of our planet and the prosperity of humanity depend on our success.

Jin Lique

President and Chair of the Board of Directors
Asian Infrastructure Investment Bank

PREFACE

In last year's Asian Infrastructure Finance report, we highlighted the need to respect our planetary boundaries in the context of greenhouse gas emissions to ensure sustainable growth. While the many catastrophic events of the last twelve months have shown us that climate change remains the development challenge of the 21st century, a quieter, related—and potentially even more serious—crisis is playing out across our lands and seas. The rapid degradation of nature and declining biodiversity demand more attention from economists and policymakers. The continued erosion of natural capital undermines humanity's efforts to secure long-term economic prosperity for current and future generations. We need a new pair of glasses that allows us to see the planetary boundaries more clearly and identify opportunities to mobilize nature's own healing mechanisms and capacity to generate innovative responses.



Until now, we have tried to take nature into account when building infrastructure, but we must go further and define nature itself as infrastructure. Nature has provided infrastructure for humans since the very beginning. The extensive river systems of China and India supported numerous constellations of kingdoms and states, and the Nile supplied Egyptian civilizations with infrastructure services over millennia. The river Indus played the same role in what is today Pakistan, and it was human interventions in the natural capacity of this majestic river to absorb the climate-induced heavy precipitation that caused much of the disastrous flooding in 2022. Viewing infrastructure in this way broadens our horizon and allows us to think in a more systemic way about how to find solutions.

Viewing nature as infrastructure is also about defining biodiversity and its varied features. When we seek to harness nature's capacity to provide essential services, we include under biodiversity not just the number of species, but their genetic diversity and diversity of functions. The diversity of ecosystems also has an intrinsic value as it contributes to the extraordinary richness of the global gene pool. Yet another characteristic of biodiversity is the complex evolutionary history of species – when they were separated on the “tree of life”. It is only by deepening our understanding of the multifaceted notion of biodiversity that we will prize the true potential of nature and our impact on it.

The 2023 Asian Infrastructure Finance report addresses nature as our most critical infrastructure. We call attention to the many valuable and unpriced services nature provides. Drawing on a painstaking collection of data, we show the importance of more accurately valuing nature – at the macro level by internalizing the role of natural capital in growth and at the micro level by considering the effects of infrastructure on nature and the huge potential of nature-based solutions. As an infrastructure bank, we scrutinize our operations, evaluating how to make traditional grey infrastructure greener and presenting a leadership opportunity for the MDB community to go further by advancing the concept of nature as infrastructure. Finally, we point to how innovative financing instruments, such as sustainability-linked bonds and debt-for-nature swaps, can increase nature financing and help to resolve multiple concurrent crises facing debt-distressed countries in the emerging and developing world.

For AIIB, nature and biodiversity issues are particularly relevant, given our primary focus on infrastructure. Infrastructure is a vital part of development for our Members, but we know that it also has profound impacts on surrounding environments and inhabiting species. The world itself has already lost 60 percent of its species over the past 50 years [WWF (2018)]. Up to a further 42 percent of species in Southeast Asia could be lost by the turn of the century—and over half would be global extinctions, pointing to Asia’s unique biodiversity [Sodhi et al. (2004)]. Furthermore, 99 of the top 100 cities facing the most significant environmental risks are in Asia [Verisk Maplecroft (2021)]. Our non-regional Members in Africa and Latin America also hold much natural capital that requires protection even as infrastructure is developed. It is our responsibility to become a leader in this space.

Economists have an important role to play in offering robust, data-driven insights into our natural world. Significant progress has been made in the last few years, with the World Bank’s much needed Changing Wealth of Nations datasets, the ongoing deep research and capacity development by the UN Environment Programme World Conservation Monitoring Centre (UNEP-WCMC) and the landmark Dasgupta (2021) review. These paved the way for our report, which in turn contributes to the repository of knowledge with a focus on the nexus between nature, biodiversity, infrastructure and development. In our journey, we have been inspired by our peers. We have collaborated with numerous research institutions and development partners, and I would like to express my gratitude to all of them. More analysis will be needed—on the fungibility between climate and nature, mainstreaming nature across the value chain or enabling biodiversity credit markets, to name a few. Economists will need to help determine the scale of the problem and put forward and justify innovative solutions that can underpin policy dialogues.

Our report argues that we must go beyond a “safeguards” approach and reframe nature as our most critical infrastructure that needs to attract our investment and attention. Grey infrastructure using traditional materials and methods—roads, bridges, wind turbines, water-treatment plants—will remain central to our Members’ development pathways and net-zero transitions. And they can also align with AIIB’s thematic priorities, such as fostering greater connectivity. These projects must be appropriately designed and built, considering the mitigation hierarchy of impacts on nature (as with climate). But our report also details that we must—and can—do more. Turning infrastructure from grey to green by adding nature-positive components, such as green roofs, “living” walls and new habitats for species, is a first step. But our vision should move toward solutions which redefine nature as the infrastructure, in which forests, wetlands, reefs, mangroves and other landscapes deliver the infrastructure services if appropriately arranged.

To drive catalytic change, there will need to be further global cooperation on nature and biodiversity. Even if the political will to adopt a more nature-friendly development path and reverse biodiversity loss exists, significant financing gaps—estimated at USD598 billion to USD824 billion annually—must be closed [TNC, Paulson Institute, Cornell Atkinson (2020)]. The Kunming-Montreal Global Biodiversity Framework delivered substantial progress, which needs to be built on. MDBs have a real opportunity to tackle climate and nature issues together, unlock fresh financing from our balance sheets, deploy new lending instruments, use our convening powers to mobilize private finance and channel financing to where it is most needed, often the poorest countries. The future of our planet—and our co-inhabitants—will depend on our willingness and ability to work together to deliver meaningful impact.

Erik Berglof

Chief Economist

Asian Infrastructure Investment Bank



EXECUTIVE SUMMARY

Nature as infrastructure has the potential to be a transformative concept for development. It goes beyond nature-based solutions or mitigating the impact of human development on nature. Infrastructure is traditionally defined as the organizational structures and facilities that allow for the operation of society. It should now be clear that nature is an inseparable part of it. The degradation of nature and biodiversity over the past decades thus poses an existential risk as much as climate change. This must be reversed quickly, together with climate change.

A need to value nature. To begin, there is a need to understand the value of nature. At the macro level, there is a need to understand how the economic activity of countries and sectors depends on nature. At the micro level, there is a need to understand the intricacies of local ecosystems and the tremendous and often unpriced services they bring and factor these meaningfully into all development decisions. Internalizing the value of nature in macroeconomic and microeconomic decisions is the first step toward creating the necessary incentives to protect and enhance nature. This report discusses both the macroeconomic impact and project-level valuation tools.

Nature as infrastructure. Nature as infrastructure is a transformative approach. The report provides detailed examples of how trees, mangroves and wetlands can provide valuable services. Where nature can provide such infrastructure-like services, grey infrastructure should be carefully considered, and investments in nature's restoration should be the norm rather than the exception. As the report will emphasize, scientific knowledge of local environments, participation of local communities and governance are key to restoring and harnessing nature as infrastructure. There is also a need to find avenues to monetize nature's services to meet both nature and financial sustainability.

Building infrastructure greener. The report recognizes that grey infrastructure will always be necessary for development. Yet many forms of grey infrastructure, including those related to urbanization that Asia is experiencing, impact nature negatively. There is a need to design grey better, regulate and minimize impact on nature. There is also a seeming tradeoff between renewable energy infrastructure (which has a large ecological footprint) and nature. This can pose a significant net-zero transition risk if not well managed. Road infrastructure also fragments and damages ecosystems. Thus, it is necessary to design grey better, such as co-locating infrastructure on brown sites providing auxiliary infrastructure (e.g., wildlife highway crossings, green urban spaces, restoring nature as offsets, etc.) to mitigate the impact of grey infrastructure. Some examples are discussed in the report.

Finance, markets and other instruments. Building nature as infrastructure and as an asset class will require expanding various tools and financial instruments. At the micro level, this would require better pricing of nature's services (e.g., usage charges or permits, tax on damages, etc.) and adaptive local regulations. Micro-level policies can then support the development of other financial instruments and eventually markets (e.g., KPI-linked bonds, policy-based lending, debt-for-nature swaps, nature credit markets) to channel more financial flows to nature while taking in lessons of carbon markets and avoiding past pitfalls. There is a particular need to assist low-income economies, many of which will be adversely affected by nature's degradation, on the one hand, and have a large potential to benefit from their nature endowments on the other. MDBs can play a catalytic role at both the micro and macro aspects to mainstream nature into all development considerations.

The Tropical Forests Forever Facility: A Proposed Multilateral Investment Fund to Reward Tropical Forest Conservation and Restoration

Introduction and Summary, 26 April 2024

Disclaimer: The concept presented herein is based on extensive analysis and modelling and is financially feasible as set out. However, this concept note should nevertheless be regarded as work-in-progress, as details will evolve with partners and sponsors providing feedback over the next weeks and months.

1. Background

At COP28 in Dubai Brazil introduced to the global community a proposal to establish a multilateral investment fund to incentivise tropical forest nations to slow and reverse deforestation and forest degradation - thus contributing to the global goal of reaching zero net deforestation and degradation of tropical forests. This proposal builds on the earlier work led by the World Bank, the Center for Global Development and the Rockefeller Foundation.

Loss and degradation of forests – especially in the tropics – contribute to more annual CO₂ emissions in the atmosphere than any human activity other than energy production and consumption.

The Tropical Forest Forever Facility (TFFF) would reward tropical forest countries for protecting the natural tropical forests that provide enormous development benefits and are a critical part of humanity's effort to combat climate change. By providing an explicit payment for conservation and restoration of tropical forests, the facility would help to address a significant market failure, placing a value to the ecosystem services that those forests render to water management, biodiversity preservation, soil protection, nutrient cycling, continental and global climate regulation, and climate resilience. Correcting this market failure will also help reduce poverty and advance economic development, both in forest countries and globally.

As this market failure has gone unaddressed, deforestation and degradation have proceeded unabated in many developing countries as a result of seemingly compelling economic incentives. Existing initiatives and programs have made progress, but they have not proven sufficient to overcome entrenched interests in the business-as-usual drivers of destruction, and reverse global trends in deforestation and degradation of forests. A new large incentive is needed to generate political will, support country ownership of conservation objectives, and draw attention of key decision makers, including heads of state and ministers of finance and planning, to address the governance changes needed.

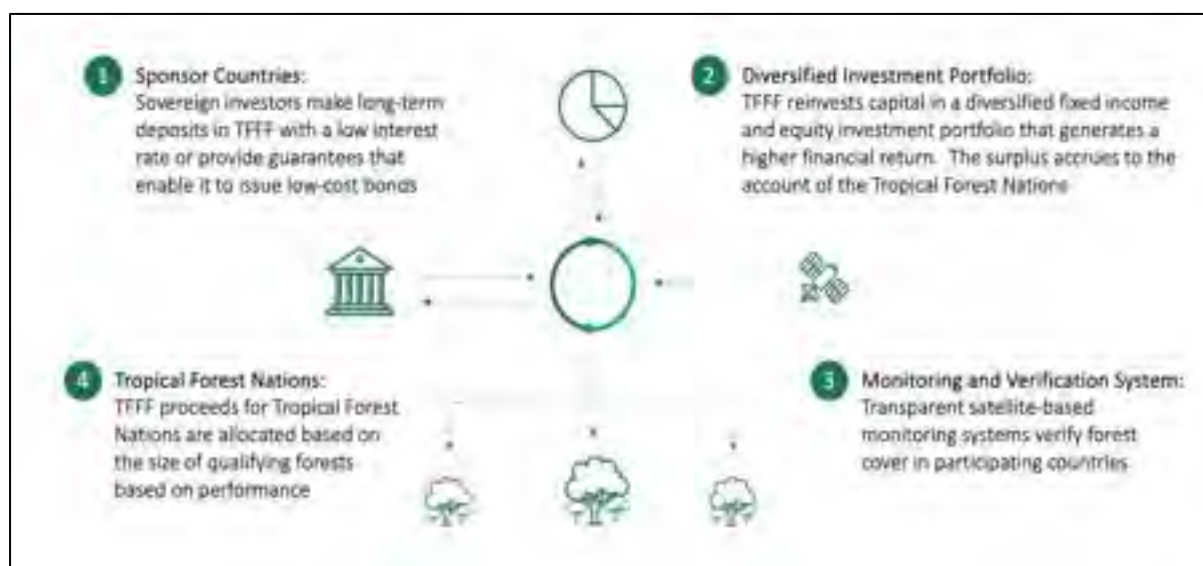
The TFFF will offer a substantial, long-term reward for successfully tackling deforestation. It provides an additional incentive for forest nations to meet this challenge and to seek out and effectively utilize the international community's existing mechanisms, without increasing funding demands on government budgets.. In short, the proposed facility seeks to establish

financial transfers that do not rely on grant contributions strategically designed as conditional incentives for results-based efforts at halting and reversing deforestation and forest degradation. Importantly, while the TFFF would provide a major incentive for forest nations to conserve and enhance these important resources, it is not intended to be the only solution. It would complement, not replace, other policies and initiatives necessary to achieve this key objective, including REDD+ program, development of effective carbon credit markets, and changes in agricultural policies and practices.

2. How would the TFFF work?

The TFFF proposes to accomplish the objective just described using well-established financial-market tools. It will generate financial returns for qualifying tropical forest nations by investing low-cost, long-term deposits and other borrowings in a long-dated diversified investment strategy. The TFFF's funding will come from deposits, loans and bonds from advanced-economy sponsors and other investors at a cost materially lower than the returns to be expected from TFFF's investments. Figure 1 provides an overview of the TFFF mechanism.

Figure 1 - Overview of the Tropical Forests Forever Fund



2.1. TFFF Finances

2.1.1. TFFF capitalization

The TFFF aims to assemble a large pool of capital at a low funding cost to be invested in a diversified investment portfolio.

The TFFF's capital pool would be borrowed from a range of public and private sponsors providing funding at a cost consistent with that of the borrowings of advanced-economy sovereigns. It is contemplated that sovereign sponsors would make long-term (20+ year) deposits that would pay an interest rate comparable to their own cost of government debt and be repaid to them at the end of the specified period, and by offering guarantees, which



can be issued bilaterally and/or collateralized by Special Drawing Rights (SDRs). Philanthropies can contribute with grant capital or direct deposits similar to sovereign sponsors. Other sponsors could include a range of institutional and retail investors who would purchase debt issued by the facility to augment its capital base. These investors would benefit from a market rate investment return and the opportunity to participate in a high-impact climate bond.

The TFFF does not involve outright expenditure or grants by sovereign sponsors. It is simply a loan or deposit, repaid to them at the end of a specified term and for which they receive interest at their respective government-bond rates. Accordingly, for sovereign sponsors funding their investment in TFFF directly or indirectly through sovereign debt, their investment would be balance-sheet neutral and thus neutral from a fiscal-accounting perspective.

While the TFFF proposal is not linked to or dependent on payments for carbon and biodiversity credits, the possibility of monetizing such additional benefits will be assessed as part of the process.

Table 1 sets out various options for contributions to the TFFF by a selection of key sponsors and investors.

Table 1 - TFFF Investor Participation Options

 Actors	 Investment Options
Sponsor Sovereigns	Direct sovereign deposits Guarantees to support borrowing from others
Philanthropies	Grants Direct deposits
Sovereign Wealth Funds	Deposits and/or other fixed-income investment
MDBs / DFIs	Deposits and/or other fixed-income investment
Other investors	Fixed-income investment

2.1.2. TFFF investment

The TFFF will invest in a diversified portfolio generating a financial return above the cost of the capital provided by sponsors, yielding a substantial net return that can be allocated to tropical forest nations that succeed in conserving and restoring their forests.

The portfolio would be structured to support periodic cash payouts to qualifying tropical forest nations that elect to receive their returns, while providing enhanced returns for tropical forest nations electing to allow their interest in the TFFF to remain in the portfolio and compound for payout upon dissolution of the TFFF portfolio. Accordingly, the largest asset allocation in

the TFFF portfolio is contemplated to be publicly issued and traded long-dated, high-yield debt, including substantial investment in hard-currency debt of emerging-market sovereigns. The second-largest allocation would be in a global public-equity portfolio, supporting higher returns for qualifying tropical forest nations electing payout upon dissolution.

2.2. Rewards for successful tropical forest nations

Participating tropical forest countries will receive the investment returns on the TFFF investment portfolio (net of the sponsors' cost to fund it) if they succeed in conserving and restoring their forests. Forest countries' initial shares in TFFF's returns will be based on their respective proportions of the total area of qualifying forest covered by TFFF. Participating countries successful in forest conservation and restoration will have the choice of receiving periodic cash payouts or keeping their returns invested in the TFFF portfolio to compound over time. If they elect the first of these options their continuing share in the fund would decline proportionally compared with participating forest countries that reinvest their returns in the portfolio and benefit as it continues to compound.

The current proposal contemplates that to be eligible a tropical forest nation will be required to keep its deforestation rate below 0.5%, and that its allocation would be reduced by the equivalent of 100 hectares for each 1 hectare deforested or degraded. Forgone allocations (due to deforestation) will remain in the TFFF, but will accrue to the benefit of the sponsors, but also create a fund to compensate any forest nation that increases its forest cover via reforestation.

TFFF will keep its verification process as simple as possible. Satellite monitoring will be the vehicle for doing this.

TFFF can generate substantial returns for qualifying forest nations. Based on extensive back-testing and Monte Carlo simulation, successful tropical forest nations could expect to share proportionately in an average annual return of approximately 3.5-4% of the value of the TFFF portfolio. The final size of the portfolio will depend on the amount of eligible forest hectares, with current discussion focused on a USD 100 to 125 bn in size.

Table 2 shows an illustrative example of the mechanism assuming a USD 4 payment per hectare.

Table 2 - Notional TFFF Allocations

	Year 0	Year 1 (Scenario 1)	Year 1 (Scenario 2)
Deforestation Rate	N/A	0.4%	0.6%
Standing Forest Area in ha	10,000,000	9,960,000	9,940,000
Deforested Area in ha	N/A	40,000	60,000
TFFF Allocation in USD	40,000,000	23,840,000	0

While the TFFF as designed has a finite life, some or all participating tropical forest nations could choose to keep the fund operational after the maturity and repayment of sponsors' deposits, using accumulated returns as an equity base to support a continued funding program. TFFF thus could become an evergreen facility generating a continuing periodic payout for qualifying tropical forest nations.

3. Secretariat and investment services

The proposal as currently envisioned contemplates that the World Bank or another international institution could support the TFFF's secretariat, provide investment management services for its portfolio and arrange satellite monitoring and verification services. Notably, there is a broad range of capable public and private institutions with long track records that could provide these services.

4. Road map and next steps

At the request of the Government of Brazil, the World Bank is acting as the Government's strategic partner to plan the proposed programme. Discussions with potential sovereign sponsors, institutional investors and other potential partners have shown strong support and willingness to engage in the implementation process to ensure that the initiative aligns with their respective priorities.

On 17 April 2024, the Government of Brazil hosted a working level round table discussion at the WB/IMF Spring Meetings 2024 to present the initiative and clarify technical financial questions of the proposal.

The participants of this round table have been invited to be part of the Working Group that will further develop the concept of the initiative. The process until final operationalisation of the TFFF is divided into three phases: Phase 1 – Design and Validation, Phase 2 – Consultation and refinement, and Phase 3 – Standing-Up.

In the initial Phase 1 from April 2024 to the G20 Ministers of Finance meeting in Brazil in July 2024 the aim is to:

1. Further develop the financial structure, eligibility criteria and incentive structures for forest conservation
2. Clearly define the terms of engagement for sponsors
3. Develop options for (i) governance and (ii) monitoring and verification.

Table 3 sets out the timeline for next steps in detail, while Table 4 provides an overview of the key milestones through the end of 2024.

Table 3 - TFFF Next Steps




 Phase 1: Design & Validation <i>April 2024 - July 2024</i>	 Phase 2: Consultation & Refinement <i>Aug 2024 – Nov 2024</i>	 Phase 3: Standing-Up <i>Dec 2024 – Nov 2025</i>
<ul style="list-style-type: none"> Establishment of TFFF Working Group <p><i>Validate:</i></p> <ul style="list-style-type: none"> Financial structure and minimum critical specifications Qualifying forest countries and landscapes criteria Incentive potential for successful forest conservation <p><i>Determine options for:</i></p> <ul style="list-style-type: none"> Governance Structure – Roles & Responsibilities Monitoring and verification 	<p><i>Consult:</i></p> <ul style="list-style-type: none"> Investors on value proposition Tropical forest countries on expectations, performance measurement, and use of proceeds Bilateral/Multilateral institutions and civil society organizations as key supporters <p><i>Finalize:</i></p> <ul style="list-style-type: none"> Fundraising strategy TFFF design, governance, legal arrangements 	<p><i>Activities to be informed:</i></p> <ul style="list-style-type: none"> Fundraising Institutional set-up Facility launch at COP 30

Table 4 - TFFF Key Milestones

Phase 1: Design & Validation			Phase 2: Broader Consultation & Refinement		
February 2024	April 2024	May 2024	July 2024	October 2024	October/November 2024
					
Kick-off Technical Workshop	Kick-off Meeting (Investors)	Kick-off Meeting (Forest countries)	Investor & Forest Country Meeting	Investor & Forest Country Meeting	Global Stakeholder Engagements
<i>G20 MFCBG Sao Paulo</i>	<i>World Bank/IMF Spring Meetings Washington, DC</i>	<i>UN Forum on Forests Washington, DC</i>	<i>G20 MFCBG Rio de Janeiro</i>	<i>World Bank/IMF Annual Meetings Washington, DC</i>	<i>COP 16 / COP29 Colombia & Azerbaijan</i>

‘Seeking Consensus, Promoting Certainties’

Remarks by Steve Howard, Secretary General of the Global Foundation, in attendance at the 6th International Forum on Strategy and Security

Hosted by the Center for International Security and Strategy, Tsinghua University, Beijing – 27 March 2024



I intend to take a global perspective, from Australia and to focus on what you might think is an unexpected and also practical suggestion for co-operation involving China, the US, Australia and other significant nations. Frankly, we have no choice. As our moderator, General Zhou Bo has said when referring to the global commons that is outer space, we are living through an era of ‘mutually assured vulnerability’.

My proposal is for the remaking of global governance as it impacts on climate change and the preservation of nature. This will require the fullest cooperation of China and the United States, along with others, for which we have seen encouraging signs in recent times. Let me begin with short anecdote involving the legendary American statesman, the late Henry Kissinger. This story is probably true, as Dr Kissinger verified it to me some years later.

Once, an Australian Foreign Minister said to Kissinger in a meeting in Washington: ‘Henry, you really ought to visit Australia sometime when you are passing through’, to which Kissinger immediately replied: ‘I’ll keep it in mind next time I’m visiting Antarctica!’

Now this funny little story says a few things, including something about Australia’s geographic location, along with New Zealand, at the bottom of Asia and the Pacific. Australia is separated only by the vast and cold Southern Ocean from the massive continent of Antarctica – the 5th largest on earth, a land mass twice as large as Australia, home to millions of penguins and seals and to a few thousands of visiting scientists – and increasingly tourists – from around the world.

To remind you of how important Antarctica is to the whole of the environment of the planet, I ask you consider this: if all the ice covering Antarctica should somehow melt, it would raise global sea levels, everywhere, by 60 metres.

As you will all know, Antarctica is governed not by one sovereign nation but by a remarkable and somewhat fragile treaty, binding all nations together around the concept of science and the shared preservation of this most precious and special corner of the world.

Antarctica is in Australia’s neighbourhood and has ranked as an important shared strategic responsibility in public and political consciousness in Australia for many decades.

China, as with the US, European, Russian and Latin American powers, has growing

interest and involvement in Antarctica. However, will all of these powers continue to act with goodwill and in the interests of nature and conservation?

Instead, might there be a concerted, practical effort to bind all interested nations into a permanent, shared governance system for Antarctica, which will serve to protect this fragile continent in perpetuity and would also serve as a model of modern win-win co-operation between great powers?

If you are doubtful that this is possible, then consider this: last year, the most significant nations on earth managed to agree to the United Nations High Seas Treaty, to protect 30% of the world's oceans, the international waters beyond sovereign jurisdiction, by 2030.

This is a major global achievement and shows that co-operation is both possible and necessary on matters affecting the global commons. Against a tide of suspicion and mistrust, the world – yes, including the United States and China – managed to unify around this issue.

Speaking of the need for optimism and global co-operation now more than ever, in the face of universal threats to our 'common home', we at the Global Foundation are mobilising a concerted global plan of action, to strengthen global governance as it relates to action on climate change and nature. This mobilisation is intended to impact on many aspects of the global commons, including: Antarctica, tropical forests, and reform of the international financial system to make it more possible to marshal the trillions of dollars of private sector investment that are required to sustain our planet for the future.

We are not just speaking from the sidelines, urging governments to do more, collaboratively. Yes, that of course is important, but we are now living in such a fluid time, filled with uncertainty and lacking in clear leadership, that we have decided to do our best to bring together a team of talents and influence from across the world – the global South and the global North, East and West, from business and investors, from academia, global institutions, faiths and civil society. We are offering to work with governments in partnership, to address these massive challenges, harnessing optimism and the best in the world. Frankly, we have no choice, the task is huge and time and possibly history is against us!

To highlight how a fresh approach is needed, for a more just and inclusive world, the Deputy Secretary General of the United Nations addressed us recently and encouraged our actions. She said: 'The current system's failure to address environmental challenges and social inequalities is essentially pushing humanity towards a breaking point'.

We will bring together key people for a series of global meetings around the world, starting with Beijing in late May. In many ways, the meeting in Beijing will be a return to where much of our engagement for global co-operation on climate and nature began, way back in April 2008, when we hosted Australian Prime Minister Kevin Rudd and China's new Minister for Climate Change, Xie Zhenhua. They found common

purpose and on we went to Washington, to bring China and the US closer on the matter.

Let me re-emphasise a fundamental point, something I have said for many years: there can be no global agreement on matters such as climate change and nature without China being centrally involved, along with others, in shaping the solutions. In fact, this might well be China's moment to shine, to demonstrate positive global outcomes for the planet through collaborative international leadership.



The Global Foundation
Together, we strive for the global common good



Prepared by Aviva Investors

BACKGROUND READING

Renewing the global financial systems, to better serve climate and nature outcomes

‘Navigating the unknown, together, towards peaceful, global co-existence’,





'Shaping agreement on global governance, climate and nature'

Renewing the global financial systems, to better serve climate and nature outcomes

Prepared by Aviva Investors

Contents

Renewing the global financial system to support prosperity for people and planet	p.55-59
The Tipping Point for Climate Finance (2-page summary)	p.61-62
The 'Assisi Accord'	p.62-71

Renewing the global financial system to support prosperity for people and planet

The Assisi Accord

The Assisi Accord¹, agreed at the Global Foundation Assisi and Rome Roundtable in May 2022, set out the importance of reforming the international financial architecture to bring about a transition plan for global finance. It recognised the need for urgent action to prevent the devastating effects of climate change and biodiversity loss on future generations, based on personal and social commitments to care for the most vulnerable and care for our common home. It set out a vision inclusive of all faiths, traditions, cultures and nations, paying special attention to the role of women, young people, and indigenous peoples.

An emerging focus on system reform to support the Paris Agreement

At UNFCCC COP27 in Sharm el Sheikh in November 2022, all countries highlighted that delivering the investment needed to transition to a low-carbon economy will require *“a transformation of the financial system and its structures and processes, engaging governments, central banks, commercial banks, institutional investors and other financial actors.”*² In the UAE Consensus at COP28 in Dubai, countries further identified the need *“to strengthen policy guidance, incentives, regulations and enabling conditions to reach the scale of investments required to achieve a global transition towards low greenhouse gas emissions and climate-resilient development.”*³

Financial system reform and the UN

UN Secretary General, Antonio Guterres, in his speech on 5 June to mark World Environment Day 2024 emphasised the importance of financial system reform and mobilisation of climate finance,

*“If money makes the world go round, today’s unequal financial flows are sending us spinning towards disaster. The global financial system must be part of the climate solution...we need a massive expansion of affordable public and private finance to fuel ambitious new climate plans and deliver clean, affordable energy for all. This September’s Summit of the Future is an opportunity to push reform of the international financial architecture and action on debt. I urge countries to take it...And they must come together to secure a strong finance outcome from COP this year – one that builds trust and confidence, catalyses the trillions needed, and generates momentum for reform of the international financial architecture.”*⁴

The UN Summit of the Future and the international financial architecture

September 2024 will see the UN Summit of the Future. One of its core themes will be the review and renewal of the international financial architecture - the governance arrangements that safeguard the stability and function of the global monetary and financial systems⁵. The Secretary General has repeatedly called for reform of the financial architecture to make it serve the needs of all countries and meet the challenges of contemporary social and sustainability crises and intergenerational justice – *“The global financial architecture is broken. Instead of a safety net, developing countries are faced*

¹ <https://globalfoundation.org.au/wp-content/uploads/2024/03/GF-Assisi-Accord-Final.pdf>

² COP27 Sharm El Sheikh Implementation Plan at para 31
https://unfccc.int/sites/default/files/resource/cop27_auv_2_cover%20decision.pdf

³ COP28 UAE Consensus at para 70 <https://globalfoundation.org.au/wp-content/uploads/2024/03/GF-Assisi-Accord-Final.pdf>
⁴ <https://www.un.org/sg/en/content/sg/speeches/2024-06-05/secretary-generals-special-address-climate-action-moment-of-truth%C2%A0>

⁵ <https://www.un.org/sites/un2.un.org/files/our-common-agenda-policy-brief-international-finance-architecture-en.pdf>

*with an outdated, dysfunctional, unjust system that isn't meeting their needs. Their isolation is not an accident. It is an inevitable result of the way the global system was designed -- not a bug, but a feature.*⁶

The Summit of the Future will focus on the delivery of a Pact for the Future, with financing for development and transforming global governance at its core. The intention is to move from the “what”, agreed in the form of the UN Charter, Universal Declaration on Human Rights, 2030 Agenda, Paris Agreement and Addis Ababa Action Agenda, to the “how”, in terms of cooperation to deliver on those aspirations and goals⁷.

The international financial architecture:



⁶ <https://india.un.org/en/266261-secretary-general-global-financial-architecture-broken>

⁷ <https://www.un.org/en/summit-of-the-future>

Pope Francis, integrated ecology, and care for our common home

Pope Francis has emphasised the importance of multilateralism, human cooperation for the common good, and the importance of global governance in his encyclicals *Fratelli Tutti*, *Laudato si* and *Laudato Deum*.

He sets human beings as part of nature, which is increasingly recognised when many frame a paradigm in which nature exists for the service of humans, *“Human beings must be recognized as a part of nature. Human life, intelligence and freedom are elements of the nature that enriches our planet, part of its internal workings and its equilibrium... For this reason, a healthy ecology is also the result of interaction between human beings and the environment, as occurs in the indigenous cultures and has occurred for centuries in different regions of the earth.”*⁸

He also recognises the importance of the role of the economy in both creating the situation in which we find ourselves, and also as a means to change the direction we have taken, *“This situation has to do not only with physics or biology, but also with the economy and the way we conceive it. The mentality of maximum gain at minimal cost, disguised in terms of reasonableness, progress and illusory promises, makes impossible any sincere concern for our common home and any real preoccupation about assisting the poor and the needy discarded by our society.”*⁹

In *Fratelli Tutti*, he recognises shifts in global governance as one of the means of securing a more just and prosperous future, *“to promote more effective world organizations, equipped with the power to provide for the global common good, the elimination of hunger and poverty and the sure defence of fundamental human rights.”*¹⁰ And in *Laudato Si*, he acknowledges the principles of the United Nations Framework Convention on Climate Change, established at the 1992 Rio Earth Summit, but also that its aims remain unfulfilled. *“Its accords have been poorly implemented, due to the lack of suitable mechanisms for oversight, periodic review and penalties in cases of non-compliance. The principles which it proclaimed still await an efficient and flexible means of practical implementation.”*¹¹

His Holiness also prepared a speech for COP28 in Dubai, in December 2023. Although ill health prevented his attendance, the speech was read out to the Conference on his behalf. He highlighted that the destruction of the environment *“greatly endangers all human beings, especially the most vulnerable in our midst and threatens to unleash a conflict between generations”*¹² Drawing on his encyclicals he also emphasised the need for *“a decisive acceleration of ecological transition through means that meet three requirements: they must be “efficient, obligatory and readily monitored”. And achieved in four sectors: energy efficiency; renewable sources; the elimination of fossil fuels; and education in lifestyles that are less dependent on the latter”*¹³. The need for systemic change that is led by changes of mindsets and culture was also at the core of his message, *“there are no lasting changes without cultural changes”*¹⁴.

Creating a transition plan ecosystem for systemic change of the financial system

⁸ *Laudate Deum* at paras 26 and 27 https://www.vatican.va/content/francesco/en/apost_exhortations/documents/20231004-laudate-deum.html

⁹ *Laudate Deum* at para 31

¹⁰ *Fratelli Tutti* at para 172 https://www.vatican.va/content/francesco/en/encyclicals/documents/papa-francesco_20201003_enciclica-fratelli-tutti.html

¹¹ *Laudato Si* at para 167 https://www.vatican.va/content/francesco/en/encyclicals/documents/papa-francesco_20150524_enciclica-laudato-si.html

¹² <https://press.vatican.va/content/salastampa/it/bollettino/pubblico/2023/12/02/0848/01842.html#inglese>

¹³ *Ibid.*

¹⁴ *Laudate Deum*, para 70

Since 2022, considerable momentum has developed behind the concept of transition planning to which the Assisi Accord referred. Corporate transition planning frameworks have been developed including in the UK (Transition Plan Taskforce) and the Glasgow Financial Alliance for Net Zero, several jurisdictions have policies in place to require disclosure of private sector transition plans where they exist and this principle is also built into the disclosure standards of the International Sustainability Standards Board (ISSB), and the EU has passed legislation to require 1.5 degree aligned plans from the largest companies.

In order to drive a change at systemic level, as well as the institutional level, complementary and symbiotic plans and planning is also needed at the country and multilateral level.

Aviva Investors' report "The Tipping Point for Climate Finance" proposes creation of a transition planning ecosystem to steward a just transition to a sustainable and nature positive net zero future.



Effective change to the financial system, and the global economy which is serves and finances will require interconnecting change at all levels. There are parallels with the "integral ecology" approach that Pope Francis outlined in Laudato Si that "everything is connected".

Change of the type required will require individuals, institutions, and systemic institutions all to work together. The transition plan for global finance will be build on transition planning and implementation at all levels.

In particular, for the financial system, not only do transition plans need to be prepared, published and implemented by corporates and financial institutions but they also need to set out the policy dependencies and assumptions that they have for their achievement and how all spheres of influence will be brought along, including supply chains, peers, and customers. Those dependencies and assumptions can inform the preparation and implementation of plans by regulators, central banks, and government departments, putting in place transition aligned policy, regulation and incentives that change the fundamentals of economic activity to align with transition. To then create a holistic transition across the world that leaves no country or region behind, there is a need for governments and regulators to use their own influence to shape plans that can be implemented in multilateral forums and groupings including COPs, the G7, 20 and 77, the UN General Assembly, and for finance the entities across the financial architecture, including the multilateral standard setting a supervisory bodies that feed into the financial stability board.

Working together in this way, and with accountability, oversight, and communication with citizens, a plan for transition can be created and stewarded that can be far more effective and efficient than many initiatives working separately. And when we all act together, we can achieve our global goals faster and in ways that we never believed possible. IT always seems impossible until it is done.

The Tipping Point for Climate Finance

Transition plans will be crucial to bring about the shift to a low-emissions, climate-resilient world. Our in-depth report on the state of climate finance calls for a transition-plan ecosystem connecting all levels of the global economy.

At the heart of the Paris Agreement is the crucial question of how the world finances the climate transition. We need to harness investment of US\$4-6 trillion per annum and ultimately the whole of the global finance system in a way that both protects sustainable development and moves money incrementally away from high-emitting activity.

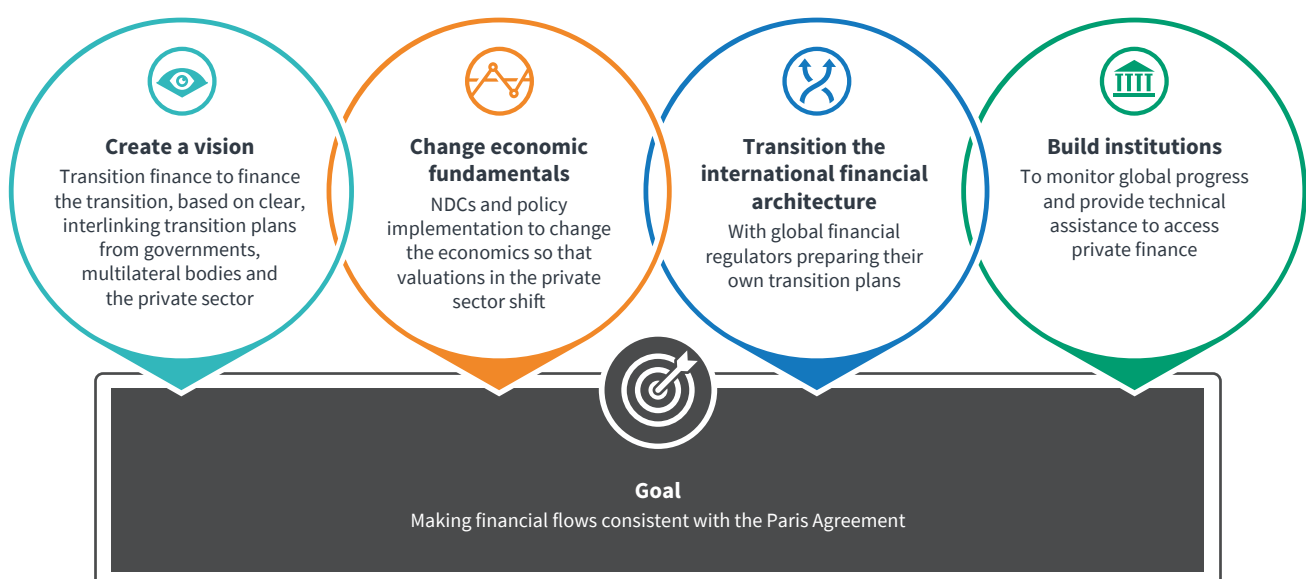
To put the scale of this challenge in context, the Marshall Plan of 1948 delivered \$13 billion of funding to rebuild Europe after World War Two, around \$165 billion in today's prices. This means we need to mobilise the equivalent of 30 Marshall Plans every year to invest in the transition.

However, the fifth biennial assessment of climate finance by the UN Framework Convention on Climate Change (UNFCCC) Standing Committee on Finance, published in October 2022, identified an average of \$803 billion deployed per year over the period 2019-'20. It is clear markets are not currently delivering investment at the scale required. It is also obvious private finance must be mobilised to close the gap. The key question is: How can the necessary shift in finance be achieved?

A transition-plan ecosystem

In this report, we offer our suggestions for a potential way forward. We highlight four principles: building a vision for the transition, providing economic fundamentals, renewing the international financial architecture and building institutions to synthesise a “*transition-plan ecosystem*”. We also highlight the central importance of transition planning at all levels of the global economy to appropriately incentivise markets.

The Tipping Points for Climate Finance - aligning the whole of finance to global goals



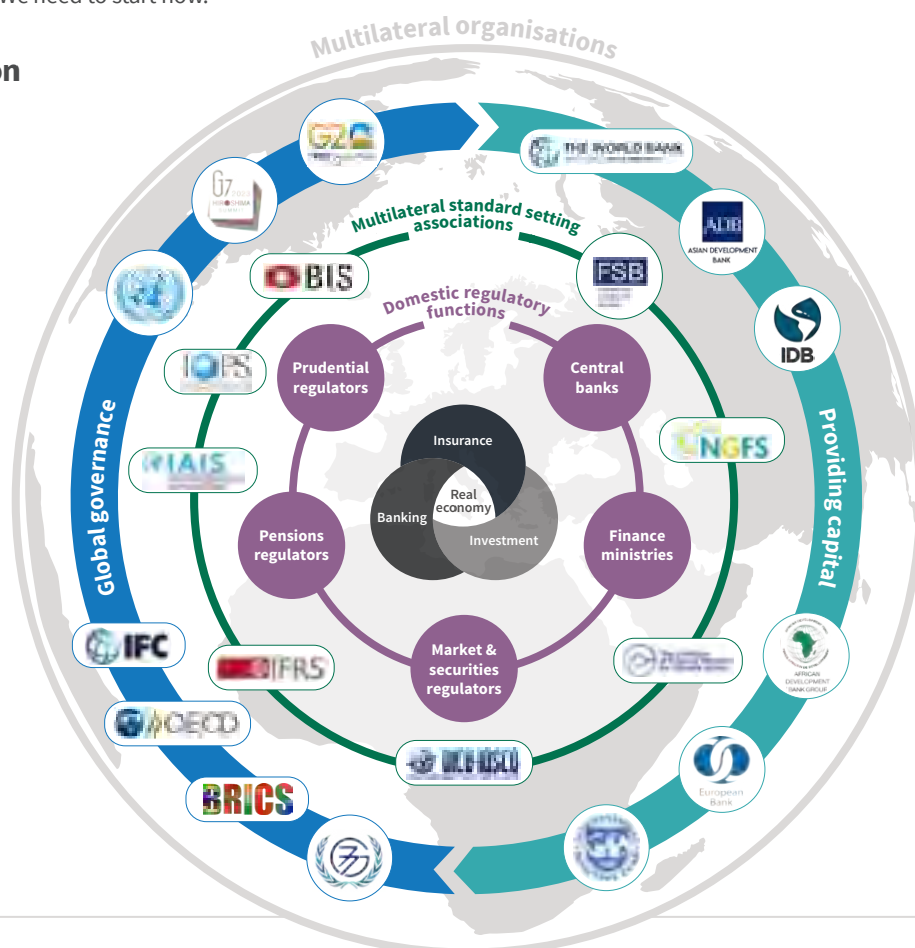


Ahead of the COP28 meeting in Dubai, we outline four steps that we believe are required:

- **Create a vision** – The response to the Global Stocktake should include not only government and public body action, but detailed analysis of the progress made by private finance towards the goals of the Paris Agreement. A global vision is needed to make all financial flows consistent with Article 2.1.c of the Paris Agreement, which can be led by the creation and implementation of national transition plans.
- **Change economic fundamentals** – The Stocktake should make clear it expects Parties to respond not only with essential and urgent enhancements of NDCs, but also a clear implementation plan – a national, whole-of-government transition plan with annual reporting on progress. These plans can send signals to markets about commitment to transition and policy shifts that will change future corporate cashflows and therefore market valuations.
- **Transition the international financial architecture** – The Stocktake outputs should include a review of the international financial architecture. A detailed regulatory vision is needed to align the regulation and supervision of finance with the ambitions of Parties – a blueprint for a transition-aligned, purpose-enabled financial architecture. All bodies within the International Financial Architecture should respond to the signals sent by government stakeholders in signing up to the Paris Agreement, Kunming-Montreal Framework and SDGs by creating their own institutional transition plans. These will set out how their work will transition to take account of the global commitment to net zero, particularly the steps to be taken before 2030 to align with a 43 per cent cut in emissions against 2019 levels. These transition plans would send important signals about prioritisation to guide those they regulate and supervise.
- **Build institutions** – An institutional guiding, monitoring and analysis mechanism is needed. We need clear guidance for national and financial architecture transition plans along with an annual synthesis report that monitors implementation and supports iterative, dynamic and responsive plans that evolve with the accelerating transition.

Putting these things in place will not be easy. There are many who benefit from the current system who will fight to maintain it, even though it undermines the common good and opportunities of future generations. But the collective benefits from decisive action are too big a prize not to try. We need to start now.

Regulation and supervision of international finance



Source: Aviva Investors, November 2023.

The Assisi Accord

**to Harness Finance to Address Climate Change,
in Pursuit of Global Peace and Equality**

***as agreed at and since the Assisi & Rome Roundtable of
the Global Foundation, held on 21,22, & 23 May, 2022***



**"What is it that stands higher
than words? Action."
~ St. Francis of Assisi.**



The Global Foundation
Together, we strive for the global common good

THE SSISI ACCORD



The Assisi & Rome Roundtable

21, 22 & 23 May 2022



‘We, the undersigned, draw upon the spirit of Assisi, as a global beacon of peace and integral ecology.

Through this Accord, we agree to support urgent action to prevent the devastating effects of climate change and loss of biodiversity on future generations, based on our personal and social commitment to care for the most vulnerable and to protect our common home.

We must act to secure the reform of the international financial architecture to bring about a transition plan for global finance, to preserve long term global peace and prosperity for all. The scope of our vision is inclusive of all faiths, traditions, cultures and nations and we pay special attention to the role of women, youth and indigenous peoples.

We collectively agree to call upon the G20, led by Indonesia in 2022, to mandate the G20 Sustainable Finance Working Group to conduct a collaborative review of the international financial architecture, to stress test and assess whether the current architecture serves peoples, the planet, and their current and future prosperity, and to make specific policy

recommendations to support greater consistency of the global financial system and its supervision and regulation with Article 2.1.c of the Paris Agreement.

We commit to seek to secure and thereafter support the work of the G20 in this matter and will incorporate this commitment into our own policy interactions and advocacy.

We encourage the Government of Indonesia to consider inviting Pope Francis as a special guest to address the G20 Leaders' meeting in Indonesia in November 2022. We accept the offer of the Mayor of Assisi, to continue to meet in Assisi, so that together we are able to assist the mobilisation of global finance in service of future global sustainability.

Italy is already an international leader in the application of the principles of sustainable societies. We offer to work with the Government of Italy, nationally and internationally, for the effective transmission and global adoption of these sustainable practices.'

ASSISI, ITALY, MAY 2022.

[Handwritten signatures and names:]

Sefwen P...
SINCE DI ASSISI
Steve Howard
Barney General, The Elder,
Founder

Adele Howard.
Anne Bazz-
manuscript

Alma
Bracy
W. Carly
Max Landin
MK

Gina S...
Anita L...

[illegible]

Summary

The world faces unprecedented challenges, in particular climate change and its impact on the sustainability of life on earth. The global financial sector is capable of rising to meet these challenges if it is focussed to do so through brave and systemic changes that its efforts on the areas where it is possible to have the most impact.

In order to secure a sustainable and peaceful future for all, including being able to ensure a liveable planet for future generations, we need to harness financial markets in the service of delivering the goals of the Paris Agreement and the UN Sustainable Development Goals. This can be achieved through the reform of the international financial architecture¹ to create and steward a global transition plan for finance.

“We must transition finance so that we finance the transition”

The Assisi Accord represents a commitment to action from members of the global financial sector to:

- Use their influence to secure the reform of the international financial architecture to bring about a transition plan for global finance, to preserve long term global peace, sustainability, and prosperity for all.
- Call upon the G20 to mandate the G20 Sustainable Finance Working Group (SFWG) to conduct a collaborative review of the international financial architecture.
- Make specific policy recommendations to support greater consistency of the global financial system and its supervision and regulation, with Article 2.1.c of the Paris Agreement.
- Support the work of the G20 SFWG in this matter and incorporate this commitment into policy interactions and advocacy wherever possible.
- Ensure that this commitment is inclusive of all faiths, traditions, cultures and nations.

The Problem – Climate Change and the sustainability and inequality crises as a threat to global peace, stability and prosperity.

Planetary Emergency

Climate change is acknowledged as a threat to global security.² Climate change is also one of the chief causes of our planetary emergency, alongside other sustainability and inequality crises including biodiversity loss, health pandemics, inequality, and global conflict. Everything is connected. Climate change and its interconnected impacts represent the biggest security threat currently facing the world.³ The physical impacts of climate change, including increasing areas with

¹ In this document, we will use the terms “international financial architecture”, and “regulatory and supervisory architecture” to refer to the global institutional governance arrangements that seek to uphold the effective functioning of the global monetary and financial systems, including but not limited to the Financial Stability Board, Basel Committee on Banking Supervision, International Association of Insurance Supervisors, Bank of International Settlements, International Organisation of Securities Commissions, International Organisation of Pension Supervisors, the International Accounting Standards Board, the Organisation for Economic Co-Operation and Development (OECD), the International Monetary Fund (IMF), and the World Bank.

² <https://www.washingtonpost.com/climate-solutions/2022/02/10/army-military-green-climate-strategy/>

³ <https://www.chathamhouse.org/2021/09/building-global-climate-security>

temperatures rising beyond the limits of human tolerance, rising seas that will redraw maps, floods, droughts, and increases in extreme weather events such as hurricanes and tropical storms, will all result in forced migration in huge numbers. This will exacerbate existing geopolitical tensions, social inequality, food scarcity, and insecurity of energy and supply chains. More than 40% of the world's population live in areas that are highly vulnerable to the physical effects of climate change⁴ and if we do not change course, up to 75% of human population could be exposed to periods of life-threatening climate conditions arising from impacts of extreme heat and humidity by the end of the century.⁵

Urgency of Immediate Action

As the increasingly severe physical effects of inevitable warming materialise, beyond that experienced today, action will be needed to adapt to and mitigate the effects of those impacts as well as the changes in migration patterns and global population distribution that will be required. These changes, unless addressed before they materialise, will lead to global unrest and disruption, and the geopolitics and security risks involved could easily amplify, rather than mitigate, an already harmful situation. These impacts will be many magnitudes worse without significant near-term action to halt rising emissions and decarbonise the global economy in line with a trajectory that the scientific consensus implies will give us the best chance of limiting the levels of warming and avoid the very worst effects of climate change.

In short, if we do not course correct, global conflict, even a third world war, could reshape the planet and its population even as the effects of climate change threaten to do so. Action is needed now to secure a sustainable, prosperous and equitable future for all, especially those most impacted by the physical effects of a warming planet, and to ensure a peaceful, secure, just and stable future for our children and children's children.

The Solution – Harnessing Finance to Deliver the Paris Agreement and the UN 2030 Agenda

The Role of Sustainable Finance

To alter the trajectory that the world is on, a shift in global finance, and the real economy that it invests in, lends to, and insures, is needed. Increasingly, policymakers and market participants are considering separate actions around climate finance and finance for sustainable development, but if the vision of Article 2.1.c of the Paris Agreement of “...*making finance flows consistent with a pathway towards low greenhouse gas and climate-resilient development*” is to be achieved, then all of finance needs to be sustainable, rather than focussing on creating a sub-set of “climate finance” or “sustainable finance”. The financial system must not just be labelled as sustainable but instead evolve towards a system state in

⁴ https://report.ipcc.ch/ar6wg2/pdf/IPCC_AR6_WGII_SummaryForPolicymakers.pdf

⁵ https://report.ipcc.ch/ar6wg3/pdf/IPCC_AR6_WGIII_FinalDraft_FullReport.pdf

which the financial system supports a sustainable economy that “meets the needs of the present without compromising the ability of future generations to meet their own needs”.⁶ Finance therefore needs to strive for conditions in which it can be truly sustainable, with a focus on serving people and a just and more equal society, the planet, and present and future prosperity.

“We need a global transition plan for finance”

The Impact of Finance

The growth of international finance has seen dramatic increases in prosperity for many. In the past 200 years, global GDP has increased 20-fold,⁷ lifting millions out of poverty, despite the benefits of the increased wealth being far too unequally distributed, with 1% of households owning 43 % of global wealth.⁸ However, in the same period, global greenhouse gas emissions have increased by over 150 times.⁹ The impacts of that are now unequivocal – instead of nurturing the only planet that we have been given to call our home, we are financing humanity’s destruction and the sixth mass extinction.

The Role of Finance

However, given the scale of the financial challenge posed by a smooth and just transition to net zero and a sustainable and fair global economy, the financial system that has bankrolled this perilous situation is an essential, and if reformed and repurposed arguably the key, part of the solution. Capitalism, and the financial system as a core pillar of it, is a key lever for positive change and can be harnessed as a force for good. In fact, even if there were not sufficient reason and moral imperative to protect current and future humanity from the physical and security impacts of climate change, finance has a self-interest in securing a peaceful and sustainable future. The physical impacts of climate change in particular threaten to collapse the global financial system as we know it as physical risks and impacts render areas and activities uninsurable, causing the interlinked banking and investment systems to fail like toppling dominos. We must transition finance so that we finance the transition.¹⁰

The change that is needed must be deep and must shift how the financial system as whole operates. We need a systematic solution to a systematic problem. To change the system outcomes, we need to change the goal of the system. Shifting actions amongst a few players, asset classes or segments is insufficient. The purpose of the system needs to be shifted to one that aligns with maintaining a liveable planet for all. The rules of the game and mindsets

⁶ <https://sustainabledevelopment.un.org/content/documents/5987our-common-future.pdf>

⁷ <https://ourworldindata.org/grapher/world-gdp-over-the-last-two-millennia>

⁸ <https://www.credit-suisse.com/media/assets/corporate/docs/about-us/research/publications/global-wealthreport-2021-en.pdf>

⁹ <https://www.wri.org/insights/history-carbon-dioxide-emissions>

¹⁰ <https://unfccc.int/climate-action/marrakech-partnership/reporting-tracking/pathways/finance-climateaction-pathway>

of actors need to shift too and so drive changes in behaviour. In partnership with the City of Assisi, we draw from Franciscan heritage as a model for shifting deeply ingrained cultural, institutional and personal mindsets. As Francis did, we seek to secure reform by working respectfully and creatively within the systems we represent. Changing systems in this way requires work on multiple ‘leverage points’.¹¹ Our contention is that the rules and norms set by the International Financial Architecture are amongst the most important, and also the most neglected so far amidst the energy on sustainable finance.

The core problem is not lack of capital, but rather its misallocation as a result of market failures and misaligned incentives. The transition to a sustainable economy aligned with climate and development goals of the Paris Agreement will require trillions of dollars, but the global financial system already embeds assets of around \$500 trillion.¹² The core challenge is to shift how and why this capital is deployed by using the tools and practices of systems change.

Reform of the International Financial Architecture to Steward a Smooth and Just Transition

The financial system responds to signals, particularly from those who supervise and regulate it. To harness finance, we need to focus those signals to give clear messages to market participants that will direct their activities.

The Origins of the Current Architecture

The current international regulatory and supervisory financial architecture grew out of the Bretton Woods conference in 1944 that saw the creation of the International Monetary Fund and International Bank for Reconstruction and Development (now part of the World Bank). Participants were seeking to foster global financial cooperation and governance, and incentivise international trade to create a common interest and avoid the repercussions of the Versailles Treaty that led to World War 2. However, not only did this architecture lack a single architect with a coherent plan for how it would work together, none of the Bretton Woods institutions or their equivalents within the international financial architecture were designed with the current climate, biodiversity, and inequality crises in mind. Indeed, Henry Morgenthau, President Roosevelt’s Secretary of the Treasury and host of the Bretton Woods Conference said that the key to success at the Conference was to drive *“the usurious money lenders from the temple of international finance”* and make capital *“serve the general welfare”*.

A New Role

To avoid future global conflict and financial collapse predicated on the increase of environmental, health, social, and conflict related crises, then reform, repurposing, and

¹¹ Meadows (1999) <https://donellameadows.org/archives/leverage-points-places-to-intervene-in-a-system/>

¹² <https://www.mckinsey.com/industries/financial-services/our-insights/the-rise-and-rise-of-the-global-balance-sheet-how-productively-are-we-using-our-wealth>

augmentation of these institutions is needed. To place a commitment to net zero and a transition plan for achievement of it in their supervision and regulation of finance at its heart, should provide them with a formal mandate to create and work together to steward a global financial transition plan for a sustainable net zero future and making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development.¹³

A Plan for Reform

In order to secure reform of the international financial architecture and the changes that would be required, a plan is required. The G7 and G20 are the key gatekeepers to the mandates of these institutions, although the institutions must also serve the interests of emerging markets and developing countries. The Brazilian G20 Presidency in 2024, building on foundations that should be laid by the Indonesian and Indian Presidencies in 2022 and 2023, would be an appropriate focus for the creation of a mandate for this reform. The Earth Summit in 1992 in Rio that led to creation of the UNFCCC has its 30th anniversary this year with the majority of the aims of the Rio Declaration still to be achieved.

For these reforms to be brought to fruition by 2024, then steps must be taken now to secure the path between where we are and where we would need to be. The most important step along that path is that the G20 should leverage its Sustainable Finance Working Group and the Roadmap issued by that Group in 2021 to undertake a comprehensive review of the international regulatory and supervisory financial architecture. This would involve considering the mandate of each institution, its work on climate change to date, and the extent to which its existing mandate and governance constrain its climate agenda. The review would make policy recommendations for reform and aim to create an inclusive reformed system, avoid unintended consequences, and include focus on those under-served by the current system and its incentives, particularly in developing countries. Any barriers or gaps identified and reforms or additions proposed, including how the elements of the architecture could better coordinate climate action and create and oversee a global transition plan for finance, would also be included. A comprehensive study of this kind, that would necessarily involve the input of groupings of global financial institutions such as GFANZ, would need time. This would likely include a mandate secured at the G20 summit in Indonesia in 2022, an interim report and recommendations to be considered by the Indian G20 Presidency in 2023, and proposals revised in time for final recommendations to be approved in 2024. Crucially, such a plan would still provide some time for these changes to have their effects within this crucial decade of delivery for tackling climate change and securing the 2030 SDG Agenda.

Alignment with the Papal vision – heeding the cry of the earth and the cry of the poor

In his letter to the Catholic Church of Scotland ahead of COP26, Pope Francis emphasised the

¹³ As anticipated by Article 2.1.c of the Paris Agreement (https://unfccc.int/sites/default/files/english_paris_agreement.pdf)



need “...to address one of the great moral issues of our time: the preservation of God’s creation, given to us as a garden to be cultivated and as a common home for our human family.” This call is consistent with the emphasis in the 2015 Papal encyclical *Laudato Si’*, on “Care for Our Common Home” which makes clear the imperative of achieving sustainable development while also responding to the suffering of those who are poor and vulnerable. The call is to address some of the most important environmental, societal and governance challenges of our societies. In *Laudato Si’*, Pope Francis urgently appealed “for a new dialogue about how we are shaping the future of our planet”, adding that “we need a conversation which includes everyone, since the environmental challenge we are undergoing, and its human roots, concern and affect us all.” *Laudato Si’* emphasises that “everything is connected”. The power of the financial system stems from the way in which it provides capital and risk management to businesses helping them to grow. This can either support a sustainable and equitable economy or one that prioritises profit over purpose and discounts the impact of economic activity on people and the planet.

As Pope Francis notes, “the market cannot guarantee integral human development and social inclusion”. This view is echoed in “*Oeconomicae et pecuniariae quaestiones*”, in which the Holy See states that “in order to function well, the market needs anthropological and ethical prerequisites that it is neither capable of giving for itself, nor producing on its own.”

“We need to hold Adam Smith’s “unseen hand” through a reformed regulatory and supervisory architecture”

To secure the role of markets in serving their purpose of allocation of capital in a manner that supports a thriving and sustainable society, we need to hold Adam Smith’s “unseen hand” through a reformed regulatory and supervisory architecture, as well as creating a policy environment to secure the integrity of markets and their freedom from the market failures and systemic risks that climate change and the SDGs represent.

The Assisi Accord as a multi-faith vision for the protection of the planet for this and future generations

Assisi itself represents a special place not only to the Catholic faith, but as a place of peace and pilgrimage for those of different faiths and none. The inspiration of St Francis’ dedication to nature and the plight of the most vulnerable and neglected resonates with the social and environmental ethics of all humanity.

In 1986, the Assisi Declarations¹⁴ set out messages on humanity and nature from different faiths to celebrate the 25th Anniversary of the World Wildlife Fund. These declarations show

¹⁴ <http://www.arcworld.org/downloads/THE%20ASSISI%20DECLARATIONS.pdf>

the consistent message from all faiths and those of none that we are merely custodians of the planet and owe a responsibility to care for the Earth and all its inhabitants. A responsibility to humans and nature as well as to future generations to protect and conserve what we have been given. This common thread runs through religious and secular teachings and exhorts us to act now, before it really is too late.

The Buddhist Declaration on Nature includes a quotation from the Dalai Lama, *"If peace does not become a reality in the world and if the destruction of the environment continues as it does today, there is no doubt that future generations will inherit a dead world...we know today that without understanding and care [the resources of the Earth] are not inexhaustible. It is not difficult to understand and bear the exploitation done in the past out of ignorance, but now that we are aware of the dangerous factors, it is very important that we examine our responsibilities and our commitment to values, and think of the kind of world we are to bequeath to future generations... There is a great danger that future generations will not know the natural habitat of animals; they may not know the forests and the animals which we of this generation know to be in danger of extinction. We are the generation with the awareness of a great danger. We are the ones with the responsibility and the ability to take steps of concrete action, before it is too late."*

The Christian Declaration includes: *'Christians call upon all men and women to pursue: -- A synthesis between culture and faith; -- Ecumenical dialogue on the goals of scientific research and on the environmental consequences of the use of its findings; -- The priority of moral values over technological advances;-- Truth, justice and the peaceful coexistence of all peoples.'*

In the Hindu Declaration it is set out that, *"What is needed today is to remind ourselves that nature cannot be destroyed without mankind ultimately being destroyed itself... Centuries of rapacious exploitation of the environment have finally caught up with us and a radically changed attitude towards nature is now not a question of spiritual merit or condescension, but of sheer survival... This earth, so touchingly looked upon in the Hindu view as the Universal Mother, has nurtured mankind up from the slime of the primeval ocean for billions of years. Let us declare our determination to halt the present slide towards destruction, to rediscover the ancient tradition of reverence for all life and, even at this late hour, to reverse the suicidal course upon which we have embarked."*

Within the Muslim Declaration is the explanation that the word *"Islam"* has the dual meaning of submission and peace, and that in submitting to God's will do we find peace. For Muslims, mankind's role on earth is as *"khalifa"* or trustee of God, *"We are God's stewards and agents on Earth. We are not masters of this Earth; it does not belong to us to do what we wish. It belongs to God, and He has entrusted us with its safekeeping."*

A metaphor of a rowing boat is central to the Jewish Declaration. *"Two men were out on the water in a rowboat. Suddenly one of them started to saw under his feet. He maintained that it*

was his right to do whatever he wished with the place which belonged to him. The other answered him that they were in the rowboat together; the hole that he was making would sink both of them.(Vayikra Rabbah 4:6)".

In common with the Assisi Declarations, the 1996 Windsor Statements on faith and the environment also highlight the connections between faith and our responsibility to the planet and each other.

¹⁵

The Assisi Accord seeks to continue this rich tradition, of drawing on and learning from the sense of place and spirituality, that is experienced in Assisi itself. We are inspired to respond, in the spirit of St Francis, who showed us ‘just how inseparable the bond is between concern for nature, justice for the poor, commitment to society and inner peace.’

We are encouraged to act boldly and with a sense of urgency, to save our precious planet.

¹⁵ The Windsor Statements were published together in Faith in Conservation by Martin Palmer and Victoria Finlay
<https://openknowledge.worldbank.org/handle/10986/15083>

1. Sustainable development and financing for development

1. In 2015, we resolved to free the human race from the tyranny of poverty and to heal and secure our planet. We have made some progress, but the achievement of the Sustainable Development Goals is in peril. Poverty has increased and inequalities have widened. Climate change, biodiversity loss and pollution pose immense risks to our natural environment and our prospects for development.

2. We will not accept a future in which dignity and opportunity are denied to half the world's population or becomes the sole preserve of those with privilege and wealth. We cannot guarantee the human rights of all without sustainable development and a thriving planet. We reaffirm that the 2030 Agenda for Sustainable Development is our overarching road map for achieving sustainable development, overcoming the multiple crises we face and securing a better future for all. We recognize that eradicating poverty in all its forms and dimensions, including extreme poverty is the greatest global challenge. We cannot achieve our shared ambitions for the future without addressing these challenges with urgency and renewed vigour. We are committed to ensuring that the multilateral system can turbocharge our aspirations to deliver for people and planet by 2030, placing the poorest and most vulnerable people at the center of all we do.

Action 1. We will take bold, ambitious, accelerated, just and transformative actions to realize the 2030 Agenda and leave no one behind.

3. We reiterate our steadfast commitment to achieve the Sustainable Development Goals by 2030. We agree to:

(a) Fully implement the Political Declaration agreed at the Sustainable Development Goals Summit in 2023, while reaffirming all the principles of the Rio Declaration on Environment and Development.

(b) Mobilize and deliver significant resources and investments for sustainable development and fulfil our commitments under the Addis Ababa Action Agenda.

(c) Remove all obstacles to sustainable development and refrain from economic coercion.

Action 2. We will close the SDG financing gap by providing sustainable, affordable, accessible and predictable development finance and effective means of implementation.

4. We are deeply concerned by the growing SDG financing gap facing developing countries. We recognize that if this gap is left unaddressed, it will translate into a lasting sustainable development divide and result in a significant erosion of trust in international cooperation and the multilateral system. We welcome efforts to address the SDG financing gap, including through the Secretary-General's proposal for an SDG Stimulus. We agree to:

(a) Expedite implementation of the key elements of an SDG Stimulus at the UN and in other relevant forums and institutions.

(b) Scale up and fulfil our official development assistance commitments, with the goal of reaching 0.7 per cent of gross national income for official development assistance (ODA/GNI), in particular to support countries in special situations and those facing specific challenges.

(c) Ensure that development assistance is focused on, and reaches, the poorest and most vulnerable people and countries, and take actions to strengthen its effectiveness.

(d) Create a more enabling global environment to increase the mobilization of domestic resources for sustainable development and enhance the capacities, institutions and systems of developing countries at all levels to achieve this goal.

(e) Increase investment in sustainable development by strengthening ongoing efforts to prevent and combat illicit financial flows and address corruption, tax evasion and tax avoidance, and recover assets derived from illicit activities.

(f) Strengthen the inclusiveness and effectiveness of tax cooperation amongst Member States and engage constructively in negotiations to finalize a United Nations Framework Convention on International Tax Cooperation.

(g) Explore options for a global minimum-level of taxation on high net-worth individuals at the Fourth International Conference on Financing for Development.

(h) Support developing countries to catalyze increased private sector investment in sustainable development, including by accelerating reforms of the multilateral development banks and development finance institutions and by creating a more enabling domestic regulatory and investment environment.

(i) Secure an ambitious outcome at the Fourth International Conference on Financing for Development in 2025 that will meaningfully close the SDG financing gap and respond to new and emerging challenges on the broader means of implementation.

Action 3. We will ensure the global trading system is an engine for sustainable development.

5. We are committed to a universal, rules-based, non-discriminatory, open, fair, inclusive, equitable and transparent multilateral trading system, with the World Trade Organization (WTO) at its core. We reiterate that states are strongly urged to refrain from promulgating and applying unilateral economic measures not in accordance with international law and the Charter of the United Nations that impede the full achievement of economic and social development, particularly in developing countries. We agree to:

(a) Promote a multilateral trading system that contributes to the achievement of the Sustainable Development Goals by offering more preferential trade access to developing countries to drive export-led growth that will support national development objectives.

(b) Urge WTO members to take decisive action on issues that are critical to achieving inclusive and sustainable development.

Action 4. We will invest in people and their socio-economic development to end poverty and strengthen trust and social cohesion.

6. We express our deep concern at persistent inequalities within and between countries and at the slow pace of progress towards ensuring universal access to social protection, quality inclusive education and lifelong learning, universal health coverage and decent work for all. We also stress the importance of ensuring clean water and sanitation for people everywhere. We must meet the Sustainable Development Goals for all countries and peoples and for all segments of society and leave no one behind, including children, persons with disabilities, older persons, Indigenous Peoples and other vulnerable groups. We agree to:

(a) Increase investment in socio-economic development from all sources, with a particular focus on reaching all women and girls, including empowering the most vulnerable.

(b) Secure ambitious outcomes on financing all aspects of social development, including universal social protection, at the Second World Summit for Social Development and the Fourth International Conference on Financing for Development in 2025, and request the Secretary-General to provide analysis and recommendations on these issues for the consideration of Member States.

(c) Maximize the positive contribution of safe, orderly and regular migration to sustainable development and our world more broadly, and strengthen international cooperation to comprehensively address the drivers of irregular migration and protect the human rights of all migrants.

(d) Fundamentally transform our food systems for the benefit of people, planet and prosperity so that everyone has access to safe, affordable and nutritious food, addressing the drivers of food insecurity, and promoting resilient and sustainable agriculture.

(e) Prevent and manage water scarcity and ensure the availability and sustainable management of water and sanitation for all.

Action 5. We will strengthen our efforts to build peaceful, just and inclusive societies that provide equal access to justice and respect human rights.

7. We recognize that the Sustainable Development Goals seek to achieve all human rights and that securing peace, upholding the rule of law and safeguarding all human rights are essential to achieving sustainable development that leaves no one behind. We agree to:

- (a) Uphold all human rights, including the right to development, and promote effective rule of law and good governance at all levels and build transparent, effective and accountable institutions.
- (b) Ensure that all human rights are at the centre of our efforts to eradicate poverty, combat inequalities, leave no one behind and implement the 2030 Agenda.

Action 6. We will promote gender equality and empower and protect all women and girls as essential prerequisites to achieve the Sustainable Development Goals.

8. We recognize that the achievement of full human potential and sustainable development is not possible if one half of humanity continues to be denied full human rights and opportunities. Sustained and inclusive socio-economic development can only be realized when all women, adolescents and girls have their full human rights respected, protected and fulfilled, including comprehensive sexual and reproductive health and rights. We agree to:

- (a) Take bold, ambitious, accelerated, just and transformative actions to ensure full and equal enjoyment of all human rights and fundamental freedoms by all women and girls, including through removing all legal, social and economic barriers to achieve gender equality.
- (b) Take targeted and accelerated action to eliminate all forms of violence against all women and girls.
- (c) Significantly increase investments to close the gender gap, acknowledging that poverty exacerbates gender inequalities, including in the care economy.

Action 7. We will protect and promote culture as an integral component of sustainable development.

9. We recognize that culture offers people and communities a strong sense of identity and fosters social cohesion. We reaffirm the role of culture as an enabler of sustainable development and in enhancing efforts to accelerate the 2030 Agenda by providing people and communities with a strong sense of identity and social cohesion, and by contributing to more effective, inclusive, equitable and sustainable development policies and measures. We agree to:

- (a) Integrate culture into economic, social and environmental development policies and strategies as a standalone goal, and as a central consideration to enhance implementation of the 2030 Agenda.
- (b) Ensure adequate investment in the protection and promotion of culture.
- (c) Engage constructively in bilateral negotiations on the return or restitution to countries of their cultural property of spiritual, historical and cultural value, and strengthen international cooperation on this issue.

Action 8. We will combat climate change, support developing countries adapt to its impact and ensure they have the financing they need.

10. We are deeply concerned at the slow pace of progress in combatting the climate crisis, the continued growth in greenhouse gas emissions and the increasing frequency, intensity and impact of climate-related disasters, especially on the most vulnerable countries. We recognize that the window for changing course is rapidly closing, and that accelerated action is urgently needed in this critical decade to deliver on existing commitments, implement necessary policies, and scale up financing.

11. We reaffirm the importance of contributing to global efforts towards deep, rapid and sustained reductions in greenhouse gas emissions in line with 1.5 °C pathways, in a nationally determined manner, taking into account the Paris Agreement and different national circumstances, pathways and approaches. We also reaffirm the importance of accelerating action on the basis of the best available

science, reflecting equity and the principle of common but differentiated responsibilities and respective capabilities, in the light of different national circumstances. We are concerned with the growing gap between the needs of developing countries and the levels of support they receive to adapt to adverse effects of climate change and loss and damage. We agree to:

- (a) Commit to an ambitious outcome at the upcoming United Nations Climate Conference (COP29), including by agreeing a new goal on climate finance.
- (b) Come forward in our next nationally determined contributions with ambitious, economy-wide emission reduction targets, covering all greenhouse gases, sectors and categories and aligned with limiting global warming to 1.5 °C, as informed by the latest science, in the light of different national circumstances.
- (c) Increase support to developing countries in our collective fight against climate change, including through scaled up, new, and additional grant-based, or highly concessional finance for both adaptation and mitigation, that builds on existing institutions and mechanisms.
- (d) Accelerate deployment and development of clean and renewable energy technologies in line with the agreed commitment to triple renewable energy capacities and double energy efficiency by 2030.
- (e) Close the significant adaptation finance gap that affects many developing countries.
- (f) Increase accessibility of climate finance vehicles including those run by international financial institutions, and ensure their procedures are simplified and that they are adequately funded to better support developing countries address climate change through the provision of affordable, long-term capital.
- (g) Deliver on the Secretary-General's call to protect everyone on earth through universal coverage of early warning systems by 2027, including through the accelerated implementation of the Early Warnings for All initiative.
- (h) Request the Secretary-General to present options for Member States' consideration in advance of the Fourth International Conference on Financing for Development for improved monitoring, assessment and verification of climate finance and sustainable development finance, while avoiding duplication of existing processes.

Action 9. We will accelerate our efforts to protect the environment.

12. We are deeply concerned about rapid environmental degradation, and we recognize the urgent need for a fundamental shift in our approach in order to achieve a world in which humanity lives in harmony with nature. We must conserve, restore and sustainably use our planet's natural resources to support the health and well-being of present and future generations. We will address the interlinked causes and adverse impacts of climate change, biodiversity loss, pollution, water scarcity, floods, desertification, land degradation, sand and dust storms through the implementation of existing intergovernmentally agreed commitments and multilateral environmental agreements. We agree to:

- (a) Deliver on our agreed commitments to halt and reverse biodiversity loss by 2030.
- (b) Conserve and sustainably use oceans and seas, freshwater resources, as well as forests, mountains and drylands and protect biodiversity, ecosystems and wildlife.
- (c) Promote sustainable lifestyles, and circular economy approaches as a pathway to achieving sustainable consumption and production patterns.
- (d) Finalize the negotiations on an ambitious international legally binding instrument on plastic pollution, including in the marine environment, by 2024.

Action 10. We will plan for the future and strengthen our collective efforts to reduce global inequalities and advance sustainable development beyond 2030.

13. We remain steadfastly focused and committed to achieving the Sustainable Development Goals by 2030. We will sustain our efforts beyond 2030 and to address existing, new and emerging challenges to sustainable development. We agree to:

(a) Consider how we will advance sustainable development beyond 2030 at the SDG Summit in 2027.

(b) Request the Secretary-General to submit a report to Member States in advance of the 2027 SDG Summit on key considerations for determining an ambitious and effective post-2030 framework for sustainable development.

2. International Peace and Security

14. We are gravely concerned about the accumulating threats to international peace and security on land, sea, in the air, in outer space and in cyberspace, some of which pose an existential threat to humanity. The United Nations has a unique responsibility for, and an indispensable role in, the maintenance of international peace and security. There is an urgent need to build trust, strengthen solidarity and deepen cooperation, building on the recommendations in the New Agenda for Peace.

15. We strongly reaffirm our duty to act in accordance with the Charter, including its purposes and principles, and our full respect for the sovereign equality of all Member States, the principle of equal rights and self-determination of peoples, and our obligation to refrain from the threat or use of force against the territorial integrity or political independence of any state. We also reaffirm our commitment to the Universal Declaration of Human Rights and to international law and we underline the central importance of the International Court of Justice.

Action 11. We will redouble our efforts to build peaceful and inclusive societies.

16. We recognize the interdependence of international peace and security, sustainable development and human rights and we reaffirm the importance of the rule of law. We are concerned about the growing imbalance between military expenditures and investments in sustainable development and sustaining peace. We agree to:

(a) Strengthen resilience and comprehensively address underlying drivers and root causes of armed conflict, violence, and insecurity and their consequences by accelerating the investment in and the implementation of the 2030 Agenda and the Sustainable Development Goals.

(b) Provide equal access to justice, protect civic space and uphold human rights for all, including through promoting a culture of peace and enhancing human security.

(c) Ensure that spending on arms does not come at the expense of investment in sustainable development and building sustainable peace.

(d) Request the Secretary-General to provide analysis on the impact of the global increase in military expenditure on the achievement of the Sustainable Development Goals by the end of the seventy-ninth session.

Action 12. We will protect all civilians in armed conflict.

17. We recognize the devastating impact of armed conflict on civilians, civilian infrastructure and cultural heritage, and we are particularly concerned about the impact of violence on women and children in armed conflict. Genocide, crimes against humanity and war crimes are prohibited under international law. We recommit to our obligations under international law, including international humanitarian law, international human rights law and international refugee law. We agree to:

(a) Take concrete and practical steps to protect all civilians in armed conflict, in particular vulnerable groups.

(b) Accelerate the implementation of our commitments under the children and armed conflict agenda.

(c) Avoid at all costs the use of explosive weapons in populated areas, especially near schools and medical facilities.

(d) Enable safe, rapid and unimpeded humanitarian access and assistance, and full respect for the humanitarian principles of humanity, neutrality, impartiality and independence.

(e) Protect all humanitarian and medical personnel and commit to protect all journalists and media in armed conflict.

(f) Redouble our efforts to end impunity and ensure accountability for atrocity crimes, and other gross violations such as the use of starvation of civilians as a method of war, gender-based violence and conflict-related sexual violence.

Action 13. We will ensure people affected by humanitarian crises receive the support they need.

18. We express grave concern at the unprecedented number of people affected by humanitarian emergencies, including those experiencing forced and increasingly protracted displacement and those afflicted by famine. We agree to:

(a) Address the root causes of forced and protracted displacement and implement durable solutions, including through equitable international burden and responsibility sharing, and support to host communities.

(b) Eliminate the scourge of famine now and for future generations, deploying all the knowledge, resources and capacities at our disposal.

(c) Significantly increase financial and other forms of support for countries and communities facing humanitarian crises, including by scaling up innovative and anticipatory financing mechanisms.

Action 14. We will defuse tensions, promote cooperation and understanding between Member States and seek the pacific settlement of disputes.

19. We recognize the United Nations' unique role in preventive diplomacy. We agree to:

(a) Revitalize existing, and develop and implement new, confidence-building, early warning and crisis management mechanisms, at the sub-regional regional, and international level.

(b) Intensify the use of diplomacy, the good offices of the Secretary-General, and mediation efforts to ease tensions in situations which may pose a threat to international peace and security, and ensure the United Nations is adequately equipped in this regard.

Action 15. We will build and sustain peace at the national level.

20. We recognize that Member States are responsible for preventing conflict and building peace in their countries. Adequate, sustainable, flexible and predictable financing for peacebuilding is essential, and we welcome the recent Security Council decision to increase the resources available to the United Nations' Peacebuilding Fund. We agree to:

(a) Deliver on our commitment in Agenda 2030 to significantly reduce all forms of violence, including sexual and gender-based violence and our commitment to eliminate conflict-related sexual violence.

(b) Develop national prevention strategies on a voluntary basis to address the drivers of violence and armed conflict, including efforts to quantifiably reduce violent deaths.

(c) Provide support and assistance to States, including through the Peacebuilding Commission and the entire United Nations system, upon request, to build national capacity to develop and implement their national prevention strategies.

(d) Integrate the risks associated with small arms and light weapons and their ammunition, in all their aspects, into national prevention strategies.

(e) Address the risks to the stability and cohesion of our societies posed by disinformation and misinformation, including content disseminated through digital platforms, while respecting the right to freedom of expression.

(f) Pursue stronger alignment between the international and regional financial institutions and the needs of Member States affected by conflict and violence to support their national prevention and peacebuilding efforts.

Action 16. We will accelerate the implementation of our commitments on women and peace and security.

21. We recognize that the full, equal, safe, and meaningful participation of women in decisions on peace and security is essential to achieve sustainable peace. We condemn in the strongest terms the increased levels of violence against all women and girls, who are particularly at risk of violence in armed conflict, post-conflict situations and humanitarian settings. We agree to:

- (a) Redouble our efforts to achieve gender equality and tackle the persistent barriers to the implementation of the women and peace and security agenda.
- (b) Take concrete steps to eliminate the full range of threats and human rights violations and abuses experienced by all women and girls in armed conflict, post-conflict situations and humanitarian settings.

Action 17. We will address environmental and climate impacts on peace and security.

22. We recognize that the adverse impacts of climate change, environmental degradation and biodiversity loss can exacerbate social tensions, instability and economic insecurity, increase humanitarian needs, and in some cases, contribute to the onset or escalation of conflict. We agree to:

- (a) Ensure that relevant United Nations' intergovernmental organs, including the Security Council, consider and address the adverse security impacts of climate change, environmental degradation and biodiversity loss, including as part of the mandate of peace operations, as appropriate.
- (b) Implement relevant intergovernmentally agreed commitments on climate change and the environment and build resilience in highly vulnerable countries and communities.

Action 18. We will adapt peace operations and support peace enforcement to better respond to existing challenges and new realities.

23. United Nations peace operations, including peacekeeping operations and special political missions, are critical tools to maintain international peace and security. They face increasingly complex challenges and urgently need to adapt, taking into account the needs of Member States, including those of host countries and troop- and police-contributing countries. We reaffirm the importance of enforcement action authorized by the Security Council, to maintain or restore international peace and security. We support enhanced collaboration between the United Nations and the African Union in this regard. We agree to:

- (a) Call on the Security Council to ensure that peace operations are deployed with clear and prioritized mandates, exit strategies and viable transition plans, and as part of a comprehensive approach to sustaining peace in full compliance with international law.
- (b) Request the Secretary-General to provide strategic and action-oriented recommendations for the consideration of Member States on the future of all forms of United Nations' peace operations and how the United Nations' toolbox can be adapted to meet evolving needs, to allow for more agile, tailored responses to existing, emerging and future challenges.
- (c) Encourage the Secretary-General to convene an annual high-level meeting with relevant regional organizations to discuss matters pertaining to peace operations, peacebuilding and conflicts.
- (d) Take concrete steps to ensure the safety and security of the personnel of peace operations.
- (e) Ensure that enforcement actions, including in counter-terrorism contexts, are accompanied by inclusive political efforts and other non-military approaches, and address the root causes and drivers of conflict and terrorism.

(f) Improve support to peace enforcement action by adequate, predictable and sustainable financing, including through United Nations' assessed contributions.

(g) Ensure adequate, predictable and sustainable financing for African Union-led peace support operations mandated by the Security Council as recently agreed by the Security Council.

Action 19. We will pursue a future free from terrorism.

24. We strongly condemn terrorism in all its forms and manifestations and all terrorist acts. The promotion and the protection of human rights for all and the rule of law are essential to the fight against terrorism and violent extremism conducive to terrorism. We agree to:

(a) Adopt a balanced and comprehensive approach to counter terrorism and prevent violent extremism conducive to terrorism.

(b) Address the threat posed by the use of new and emerging technologies, including digital technologies for terrorist purposes.

(c) Revitalize efforts towards the conclusion of a comprehensive convention on international terrorism.

Action 20. We will combat transnational organized crime and illicit financial flows.

25. Transnational organized crime poses a threat to international peace and security, human rights and sustainable development, including through the growing links between transnational organized crime and terrorist groups. We agree to:

(a) Strengthen international cooperation to prevent and combat cybercrime and crimes committed through the use of information and communications technologies.

(b) Take concrete steps to detect, investigate, and prosecute illicit arms and ammunition and related financial flows.

Action 21. We will accelerate progress towards a world free of nuclear weapons.

26. We reaffirm that nuclear weapons pose an existential threat to humanity and that a nuclear war can never be won and must never be fought. The only guarantee against the use and threat of use of nuclear weapons is their total elimination. We reiterate our deep concern over the slow pace of nuclear disarmament. We agree to:

(a) Continue to call upon the nuclear-weapon States to prevent any use or threat of use of nuclear weapons, pending their total elimination.

(b) Reverse the erosion of international norms against the possession, spread, testing and use of nuclear weapons.

(c) Accelerate the implementation of existing nuclear disarmament obligations and commitments.

(d) Call upon the nuclear-weapon States to engage in and intensify dialogue on strategic stability to promote international peace and security, and to elaborate next steps for nuclear disarmament, including further reductions of nuclear arsenals.

Action 22. We will uphold our disarmament obligations.

27. We express our serious concern at the continuous and progressive erosion of international norms and rules and obligations in the field of disarmament, arms control and non-proliferation. We will respect humanitarian principles that apply to weapons, means and methods of warfare, and support progressive efforts to effectively regulate arms. We recognize the importance of restoring and enhancing the role of the United Nations' disarmament machinery. We call for full compliance with and implementation and universalization of treaties established to eliminate weapons of mass destruction. Any use of chemical weapons by anyone, anywhere, and under any circumstances is unacceptable. We reaffirm our shared determination to exclude completely the possibility of biological agents and toxins being used as weapons. We agree to:

- (a) Revitalize the role of the United Nations in the field of disarmament, including by recommending that the General Assembly hold a fourth special session of the General Assembly devoted to disarmament (SSOD-IV).
- (b) Pursue a world free from chemical and biological weapons and ensure that those responsible for any use of these weapons are identified and held accountable.
- (c) Address emerging and evolving biological risks through improving processes to anticipate, coordinate and prepare for such risks, whether caused by natural, accidental or deliberate release of biological agents.
- (d) Redouble our efforts to achieving universality and implementation of treaties that prohibit or restrict weapons for humanitarian reasons.
- (e) Strengthen our efforts to combat, prevent and eradicate the illicit trade in small arms and light weapons and their ammunition in all its aspects.

Action 23. We will address the risks posed by emerging domains and technologies.

28. We recognize that rapid technological change and the emergence of potential new domains of conflict presents risks to our collective efforts to maintain international peace and security. The Charter and international law will guide our approach to addressing these risks. We agree to:

- (a) Launch negotiations on legally-binding and non-legally binding instruments to ensure peace, security and the prevention of an arms race in outer space in all its aspects, which engage all relevant stakeholders.
- (b) Conclude by 2026 a legally binding instrument to prohibit autonomous weapons systems that select targets and apply force without human control, and to regulate all other types of autonomous weapons systems to ensure their compliance with international humanitarian law.
- (c) Request the Secretary-General to update Member States on the current status of biotechnology, nanotechnologies and human enhancement technologies and their implications for international peace and security in order to support Member States' future consideration of these issues.

Action 24. We will address the risks posed by information communication technology and artificial intelligence.

29. We are concerned about the risks to international peace and security posed by the malicious use of information and communications technologies and artificial intelligence, including by non-state actors and for terrorist purposes. We agree to:

- (a) Uphold international law, including the Charter, as well as implement agreed norms, rules and principles of responsible State behavior in the use of information communications technologies.
- (b) Ensure that critical infrastructure supporting the delivery of essential public services and required for the functioning of society is never intentionally damaged or impaired by malicious information and communications technology activity, from both State and non-State actors.
- (c) Request the Secretary-General to present options for Member State consideration for a potential multilateral accountability mechanism to support adherence to agreed norms, rules and principles of responsible State behaviour.
- (d) Strengthen transparency, accountability and oversight mechanisms for the use, development and deployment of data-driven technology, including artificial intelligence, to support the maintenance of international peace and security and to ensure that the use of these technologies complies with international law.
- (e) Establish robust mechanisms, such as norms, rules and principles throughout the life-cycle of military applications of artificial intelligence, including in consultation with relevant stakeholders.

3. Science, technology and innovation and digital cooperation

30. Science, technology and innovation have the potential to accelerate the realization of the United Nations' aspirations across all three pillars of its work. We will only realize this potential if we act now to harness the benefits and take bold and ambitious steps to bridge the growing divide between developed and developing countries. There are too many people in our world, especially the poorest and most vulnerable in developing countries, that do not have access to critical life-changing technologies. If we are to make good on our promise to leave no one behind, science and technology cannot be the preserve of the few. Innovations that can make our planet more sustainable and our countries more prosperous should be shared by all of humanity.

31. At the same time, we must responsibly manage the risks of science and technology, in particular the ways in which science, technology and innovation can perpetuate and deepen divides and patterns of discrimination and inequality within and between countries and threaten human rights. We will deepen our partnerships with relevant stakeholders, especially the international financial institutions, the private sector and academia, and we will ensure science, technology and innovation is a catalyst for a more sustainable, secure and prosperous world.

32. Digital and emerging technologies, including artificial intelligence, are dramatically changing our world and offer huge potential for progress for people and planet in the future. We are determined to realize this potential and manage the risks through enhanced international cooperation. We have annexed a Global Digital Compact to this Pact in this regard.

Action 25. We will seize the opportunities presented by science, technology and innovation for the benefit of people and planet.

33. We will be guided by the principles of equity and solidarity, and promote the responsible and ethical use of science, technology and innovation. We agree to:

- (a) Foster an open, fair, inclusive and non-discriminatory environment for scientific and technological development and cooperation worldwide, including through actively building trust in science.
- (b) Increase the use of science and scientific evidence in policy-making and ensure that complex global challenges are addressed through multidisciplinary collaboration, including the social sciences, arts and humanities.
- (c) Encourage talent mobility and circulation, and support developing countries to provide suitable working conditions and opportunities for their skilled workforce to retain talent and prevent a brain drain.

Action 26. We will scale-up the means of implementation to developing countries to strengthen their science, technology and innovation capacities.

34. Science, technology and innovation are critical to support sustainable growth and accelerate the implementation of the 2030 Agenda. It is imperative that we bridge the science, technology and innovation gap between developed and developing countries, particularly those in special situations. We agree to:

- (a) Ensure science, technology and innovation contributes to our efforts to eradicate poverty in all its forms and dimensions, including in the areas of food and nutrition, health, water and sanitation, energy, climate and environment.
- (b) Accelerate the transfer of environmentally sound technologies to developing countries on favourable terms, including on concessional and preferential terms, as mutually agreed.
- (c) Build capacity in and scale up the development, deployment and sustainable utilization of emerging technologies for the achievement of the Sustainable Development Goals, especially by developing countries.

(d) Call upon developed countries to assist developing countries in capacity-building in science, technology and innovation through policy exchanges, knowledge sharing, technical assistance, financing, joint international research and personnel training tailored to specific needs, policies and priorities of developing countries.

(e) Strengthen North-South, and where capacities are available, South-South and triangular cooperation to build capacity for and improve access to science, technology and innovation, and to increase resources for the implementation of technical and scientific initiatives.

(f) Scale up financing of relevant scientific research that supports sustainable development and increase opportunities for research cooperation.

(g) Attract and support private sector investment in science, technology and innovation, and deepen public-private partnerships by fostering a conducive environment in developing countries that encourages investment and entrepreneurship and by ensuring that innovation can reach global markets.

Action 27. We will uphold intellectual property rights and apply flexibilities when we can to support developing countries achieve sustainable development.

35. We recognize the importance of intellectual property rights to progress on science, technology and innovation. We agree to:

(a) Protect and enforce intellectual property rights to build trust and encourage and enhance the transfer, promotion and dissemination of technological innovation, on mutually agreed terms.

(b) Apply the flexibilities enshrined in relevant international legal obligations in the field of intellectual property rights, where applicable, to enable developing countries to deploy technological innovations.

Action 28. We will ensure that science, technology and innovation contribute to the full enjoyment of human rights by all.

36. We recognize the opportunities and risks presented by science, technology and innovation to upholding human rights. We agree to:

(a) Ensure that all scientific and technological research is conducted in a responsible manner that respects human rights, and protects the autonomy, freedom and safety of scientific researchers.

(b) Integrate a human rights-based perspective to norm-setting processes for new and emerging technologies.

(c) Ensure that all marginalized groups benefit from and can participate in the development and application of science, technology and innovation.

Action 29. We will ensure that science, technology and innovation improve gender equality and the lives of all women and girls.

37. We are gravely concerned that rapid technological change can exacerbate existing gender inequalities and present serious risks to all women and girls. We agree to:

(a) Address persistent barriers to equal and meaningful access to and participation and leadership in science, technology and innovation for all women and girls, including through improving educational opportunities for women and girls in these fields.

(b) Address gender-related risks and challenges emerging from the use of technologies, including violence, harassment, bias and discrimination against all women and girls that occurs through, or is amplified by, the use of technology.

Action 30. We will build on and complement traditional and local knowledge.

38. We recognize the need for science, technology and innovation to be adapted and made relevant to local needs and circumstances, including the knowledge of Indigenous Peoples. We agree to:

(a) Foster synergies between science and technology and traditional, local, afro-descendant and indigenous knowledge and capacities, while putting in place measures to identify and mitigate potential associated risks.

Action 31. We will support the Secretary-General to strengthen the United Nations' role in science, technology and innovation.

39. We recognize the critical role of the United Nations in science, technology and innovation. We welcome the establishment of the Secretary-General's Scientific Advisory Board to provide independent scientific advice. We request the Secretary-General to:

(a) Strengthen the United Nations' capacities to leverage science, technology and innovation in the work of the Organization, including futures thinking and foresight, and to monitor and measure ongoing global progress to bridge the science and technology gap between developed and developing countries.

(b) Explore ways to strengthen the capacity of United Nations Country Teams to support national governments in leveraging science and technology for sustainable development.

4. Youth and Future Generations

40. Today's generation of young people is the largest in history, with most of them living in developing countries. They are critical agents of positive change. However, across our world, millions of children and young people are deprived of the conditions they need to reach their full potential. Too many children and young people continue to live in extreme poverty, without access to critical services. We recognize that, together with future generations, they will live with the consequences of our actions and our inaction. We commit to transformative levels of investment in, and engagement by, young people at national and international levels to secure a better future for all.

41. We recognize that youth are a distinct group from future generations. We must ensure that decision-making today takes greater account of the rights and interests of the generations to come. We have annexed a Declaration on Future Generations to the Pact for the Future that details our commitments in this regard.

Action 32. We will invest in social services for young people so they can reach their full potential.

42. We stress the importance of investing in essential social services for young people, especially health, education and social protection. To fulfil their full potential and secure decent work and quality employment, young people must have access to education opportunities throughout their lives that equip them with the knowledge, skills and values they need to thrive in a rapidly changing world. We agree to:

(a) Scale up investment in critical social services for young people and ensure that their specific needs are reflected in national and international development strategies.

(b) Accelerate efforts to ensure young people enjoy the highest attainable standard of physical and mental health, access to universal health coverage, including sexual and reproductive health.

(c) Build education systems and life-long learning societies that are tailored to the needs of young people today and in the future by enhancing curricula, harnessing digital technologies and improving access to technical and vocational training for the digital and green transitions.

(d) Support developing countries to significantly increase investment in education, especially early childhood education, including by ensuring policy coherence among international actors, protecting education budgets in times of shocks and debt distress, and exploring innovative financing opportunities.

(e) Create sustainable jobs and decent livelihoods for youth, especially in developing countries and particularly for young women, and establish universal, adequate, comprehensive and sustainable social protection systems.

(f) Request the Secretary-General to develop, in advance of the Second World Summit for Social Development, a Global Youth Investment platform to attract and better finance youth-related programming at the country level.

Action 33. We will promote equal opportunities for all young people, especially the most vulnerable and marginalized, protect them from violence, and foster social inclusion and integration.

43. We reaffirm the importance of ensuring the rights of all young persons, including the most vulnerable, and those facing multiple and intersecting forms of discrimination. We agree to:

- (a) Fight and eradicate all forms of racism, racial discrimination, xenophobia, islamophobia and antisemitism, and all forms of intolerance that impact young people and hinder their ability to fulfil their potential.
- (b) Address the challenges faced by all young women and girls, including by combating gender stereotypes and negative social norms and eliminating discrimination, all forms of violence, and harmful practices.
- (c) Eliminate all barriers that hinder young persons with disabilities and invest in assistive technologies that can promote their full and equal participation in society.

Action 34. We will strengthen meaningful youth participation at the national level.

44. We commend the important contributions that young people are already making to the advancement of human rights, sustainable development and peace and security in their own countries. We can only meaningfully meet the needs and aspirations of all young people if we systematically listen to them, work with them, and give them a chance to shape the future. We agree to:

- (a) Establish national youth consultative bodies where they do not exist, with the mandate and the requisite resources to engage in national policymaking and decision-making processes supported, upon request, by the United Nations system.
- (b) Consider establishing intergenerational dialogues to build stronger partnerships between governments and youth.
- (c) Address the challenges and remove the barriers that prevent meaningful and equal participation of all youth, including for young women, in social, economic, political and public affairs.
- (d) Promote the representation of young people in formal political structures, especially young women, including through removing legislative or policy barriers that directly or indirectly prevent young people from running for public leadership positions.
- (e) Strengthen the meaningful and inclusive participation of all youth in conflict prevention and resolution, peacebuilding, peace processes, post-conflict processes and humanitarian action.
- (f) Provide flexible funding and capacity-building support for youth-led and youth-focused organizations.
- (g) Report on progress made on these matters at the 2025 High-level plenary meeting of the General Assembly to commemorate the thirtieth anniversary of the World Programme of Action for Youth, and its follow-up.

Action 35. We will strengthen meaningful youth participation at the international level.

44. We welcome the progress made in promoting the meaningful engagement of youth in the United Nations. We are determined to build on this work by ensuring more systematic youth engagement in intergovernmental processes and across the work of the UN system, and by increasing the representativeness, effectiveness and impact of youth engagement. We agree to:

- (a) Ensure the systematic, meaningful, inclusive and effective engagement of young people in all United Nations intergovernmental bodies and processes, taking into account principles of equitable gender and geographical representation and non-discrimination.

(b) Include youth delegates in national delegations at relevant intergovernmental discussions in the General Assembly and its subsidiary bodies, the Economic and Social Council and its functional commissions, the Security Council and other relevant United Nations conferences.

(c) Revitalize and invest in the United Nations Youth Fund to boost the participation of youth representatives from developing countries in the activities of the United Nations.

(d) Request the Secretary-General to develop, in close consultation with Member States and young people, a global standard for meaningful, representative, inclusive and safe youth engagement across the work of the United Nations.

5. Transforming global governance

45. Today, our multilateral system, constructed in the aftermath of Second World War, is under unprecedented strain. It has had remarkable achievements in the past eighty years. But we are not complacent about the future of our international order, and we know it cannot stand still. Without fundamental changes to our multilateral institutions, a recognition of the need for greater international cooperation, and an unwavering commitment to the Charter and international law, global challenges could overwhelm and threaten all of humanity. Without a transformation in global governance, the positive progress we have seen across all three pillars of the United Nations' work in recent decades could unravel. We will not allow this to happen.

46. Our priority is to renew people's trust in global institutions by making them more representative of today's world and more effective at delivering on the commitments that we have made to one another and our people. We renew our commitment to international cooperation, guided by the principles of trust, equity, solidarity and universality. We will transform global governance and strengthen the multilateral system to help us achieve a world that is safer, more peaceful, more just, more equal, more inclusive, more sustainable, and more prosperous.

Action 36. We commit to transforming global governance and reinvigorating the multilateral system to tackle the challenges, and seize the opportunities, of today and tomorrow.

47. We will work together to ensure that the multilateral system, with the United Nations at its centre, can tackle the challenges and seize the opportunities of today and tomorrow. We resolve to make the multilateral system more:

(a) Effective and capable of delivering on our promises, with strengthened accountability and compliance mechanisms to ensure our commitments are met and to rebuild trust in global institutions.

(b) Prepared for the future, building capabilities and harnessing technology and data to anticipate risks, seize opportunities, act early and manage uncertainty.

(c) Just, equitable and representative of today's world to ensure that all Member States can meaningfully participate in global decision-making in multilateral institutions, especially developing countries.

(d) Inclusive to allow for the meaningful participation of a diverse range of actors beyond States, while reaffirming the intergovernmental character of the United Nations and the unique and central role of States in meeting global challenges.

(e) Interconnected, to ensure that the multilateral system can draw together existing institutional capacities, overcome fragmentation and comprehensively address multidimensional, multisectoral challenges.

(f) Financially stable, by ensuring adequate, sustainable and predictable financing for the United Nations, and to that end we commit to meet our financial obligations in full, on time and without conditions.

[Action 37. Reform of the Security Council]

[Cofacilitators Note: It is clear from Member State and stakeholder inputs that reform of the Security Council remains a priority for the Summit of the Future, and we are committed to achieving an ambitious outcome in the Pact for the Future. We will present initial language on this issue in June 2024.]

Action 38. We will increase our efforts to revitalize the work of the General Assembly.

48. We reaffirm the central position of the General Assembly as the chief deliberative, policymaking and representative organ of the United Nations. We agree to:

- (a) Further enhance and make full use of the role and authority of the General Assembly to address evolving global challenges, in full compliance with the Charter.
- (b) Enhance ways in which the General Assembly can contribute to the maintenance of international peace and security and strengthen its coordination with the Security Council, in particular by taking action on threats to international peace and security.
- (c) Ensure that the selection and appointment process of the Secretary-General is guided by the principles of merit, transparency, inclusiveness and regional rotation.
- (d) Take into account during the next, and in subsequent, selection and appointment processes the regrettable fact that there has never been a woman Secretary-General.

Action 39. We will strengthen the Economic and Social Council to accelerate the achievement of the Sustainable Development Goals.

49. We commit to strengthening the work of the Economic and Social Council as a principal organ for coordination, policy review, policy dialogue and recommendations on issues of economic and social development, with the aim of achieving the Sustainable Development Goals. We agree to:

- (a) Strengthen cooperation between the Economic and Social Council and both the Security Council and Peacebuilding Commission, and between the Economic and Social Council and the international financial institutions.
- (b) Facilitate more structured, meaningful and inclusive engagement of non-governmental organizations in consultative status with the Economic and Social Council in the activities of the Council.
- (c) Take steps towards granting formal status and a stronger mandate to the Council's youth forum to enhance youth engagement throughout the Council's cycle.
- (d) Revitalize the Commission on the Status of Women, including to promote the full and effective implementation of the Beijing Declaration and Platform for Action, to achieve gender equality, the empowerment, and the human rights of all women and girls.
- (e) Request the Secretary-General to provide recommendations for the consideration of the Economic and Social Council on how to ensure that the modalities, functions, working methods and procedures of the Commission are fit for the future.

Action 40. We will strengthen the Peacebuilding Commission.

50. We affirm our commitment to strengthening the Peacebuilding Commission, including through the 2025 review of the peacebuilding architecture, to bring a more strategic approach and greater coherence to international peacebuilding efforts. We agree to:

- (a) Enhance the role of the Commission as a platform for conflict prevention and sustaining peace, including through sharing good practices among Member States and mobilizing political and financial support for national prevention efforts.
- (b) Make greater use of the Commission to support Member States progress their nationally owned prevention efforts.
- (c) Strengthen the Commission's role in advising and acting as a bridge to all relevant United Nations bodies and facilitating the inclusion of stakeholders' perspectives on peacebuilding.

(d) Establish a more systematic and strategic partnership between the Commission and the international financial institutions to mobilize financing for sustaining peace and to help align national development, peacebuilding and prevention strategies.

(e) Ensure the Commission plays a vital support role to countries during and after the transition of a peace operation, in cooperation with the Security Council and United Nations Country Teams.

Action 41. We will reform and strengthen the United Nations.

51. We underline the importance of the United Nations remaining effective, efficient and impactful. We agree to:

(a) Support the Secretary-General to achieve a more agile, responsive and resilient United Nations that is better able to support Member States and deliver on its mandate, including on financial and management issues.

(b) Request the Secretary-General continue efforts to implement his UN 2.0 vision to enhance the Organization's capabilities in innovation, data analytics, digital transformation, strategic foresight and behavioural science.

(c) Strengthen and sustainably fund the United Nations development system, including the Resident Coordinator system, to more effectively support countries to meet their sustainable development ambitions and ensure it can address new and emerging challenges.

Action 42. We will strengthen the United Nations' human rights pillar to ensure the effective enjoyment by all of all human rights and respond to new and emerging challenges.

52. Following the seventy-fifth anniversary of the Universal Declaration of Human Rights and the thirtieth anniversary of the Vienna Declaration and Programme of Action, we are committed to actively promoting and protecting all human rights and fundamental freedoms, civil, political, economic, social and cultural rights, including the right to development. We commit to fulfill our respective obligations to respect, protect and uphold human rights and to implement all relevant international human rights instruments. All human rights are universal, indivisible, interdependent and interrelated, and the Sustainable Development Goals seek to achieve all human rights. Human Rights Defenders must be protected and supported as important partners in achieving our collective commitments. Our ability to uphold human rights in the future will require us to strengthen our capabilities to respond to the negative impact of new technologies, poverty and inequality, climate change and environmental degradation, and threats to international peace and security in new and emerging domains on human rights. We agree to:

(a) Strengthen the Office of the United Nations High Commissioner for Human Rights to enable it to effectively carry out its mandate to respond to the broad range of human rights challenges facing the international community, including new and emerging challenges in the future.

(b) Request the Secretary-General to provide proposals for adequate, sustainable and predictable financing of the Office of the United Nations High Commissioner for Human Rights with the aim of steadily and significantly increasing the Office's regular budget resources over the next five years.

(c) Enhance coordination among United Nations entities working on human rights and avoid duplication of activities, including through closer cooperation between the Office of the United Nations High Commissioner for Human Rights and all relevant United Nations organs, bodies and entities.

Action 43. We will continue to reform the governance of the international financial architecture so that it reduces inequities and reflects today's world.

53. We will urgently reform and address the inequities in the international financial architecture to adequately meet the scale of the sustainable development challenges we face, which is a crucial step towards building greater global solidarity and trust in multilateralism.

54. We acknowledge the role of the United Nations in global economic governance, while fully respecting existing governance mechanisms and mandates independent of the United Nations that preside over

specific organizations and rules. We welcome the initiative to convene a Biennial Summit at the level of Heads of State and Government to strengthen existing and establish more systematic links between the United Nations and the international financial institutions, and we stress the importance of inclusive participation. We recognize the necessity of governance reforms at the international financial institutions and multilateral development banks, especially the International Monetary Fund and the World Bank, to enhance representation of all developing countries, strengthen trust and improve access to their financing. We agree to:

(a) Call on the board of the IMF to take further steps to enhance the representation and voice of developing countries.

(b) Call on the boards of the World Bank and other multilateral development banks to enhance representation and voice of developing countries.

Action 44. We will reform the international financial architecture to mobilize adequate volumes of capital to meet the Sustainable Development Goals, and direct financing to those most in need.

55. Developing countries lack access to affordable long-term financing. The Sustainable Development Goals will not be met unless we close the financing gap. We are alarmed that, at this critical moment, developing countries do not have access to adequate finance to achieve the SDGs, flows of capital to developing countries are falling, and more capital is leaving countries than is coming in. Multilateral development banks play a vital role in expanding countries' access to affordable capital, but they must be urgently reformed to meet today's challenges. We agree to:

(a) Deliver a significant increase in resources for the International Development Association (IDA) through its twenty-first replenishment, including contributions from both new and existing donors, and establish a clear pathway to larger IDA funding by 2030.

(b) Encourage multilateral development banks to accelerate the pace of existing reforms and to consider more ambitious steps to increase the availability of finance to developing countries.

(c) Call on the boards of multilateral development banks to fully implement the recommendations from the review of their Capital Adequacy Frameworks by the end of 2026, including leveraging callable capital and issuing hybrid capital at scale.

(d) Call on the boards of multilateral development banks to schedule general capital increases to be completed by the end of 2026 and consider further general capital increases in the future, as required, taking into account the outcome of the Fourth International Conference on Financing for Development, while recognizing recent capital contributions.

Action 45. We will reform the international financial architecture to enable countries to borrow with confidence, promote access to affordable credit, prevent unsustainable borrowing, and facilitate timely, coordinated and fair debt restructuring and debt relief.

56. Borrowing is vital for countries to invest in their long-term development. We are alarmed by the emergence of a new debt crisis in some developing countries, the constraint this imposes on development progress, and the weakness of safeguards to prevent such crises from occurring. We underline the importance of reforms to existing multilateral processes to facilitate debt restructuring that take into account evolving trends in sovereign borrowing. We agree to:

(a) Pursue a stronger, pro-active multilateral response to the ongoing debt crisis that enables countries to sustainably escape debt overhang and prioritize government expenditure on the achievement of the Sustainable Development Goals.

(b) Request the Secretary-General, in collaboration with the IMF, to initiate an independent review of the sovereign debt architecture, building on the Global Sovereign Debt Roundtable, with a view to making concrete recommendations for reform to the Fourth International Conference on Financing for Development in 2025. This should include an assessment of the principles of responsible borrowing and

lending, tools for debt sustainability analysis, and mechanisms to strengthen information-sharing and transparency among all creditors and borrowers.

(c) Request the Secretary-General to engage with credit rating agencies to agree actions that enable access to resources and enhance ratings' contribution to the achievement of the Sustainable Development Goals.

(d) Improve and implement the Common Framework for Debt Treatments to enable faster and fairer restructuring processes and encourage steps to ensure comparability of treatment of sovereign and private creditors, including through respective national legislation.

Action 46. We will reform the international financial architecture so that it shields countries equitably during systemic shocks and makes the financial system more stable.

57. The growing frequency and intensity of global economic shocks has set back progress on the achievement of the Sustainable Development Goals. We recognize the potential role of Special Drawing Rights (SDRs) in strengthening the global financial safety net in a world prone to systemic shocks, and their potential contribution to greater global financial stability. We agree to:

(a) Encourage countries to voluntarily rechannel at least fifty percent of SDRs from the 2021 issuance, including through the multilateral development banks.

(b) Encourage the IMF to develop protocols to facilitate rapid SDR issuances and voluntary re-channeling during times of crisis.

(c) Call upon the IMF to explore all options to strengthen the global financial safety net to support developing countries in response to macroeconomic shocks.

(d) Establish consistent regulation of bank and other financial service entities in the financial sector.

Action 47. We will reform the international financial architecture so that it can meet the challenge of climate change.

58. Climate change exacerbates many of the challenges facing the international financial architecture. Countries should not have to decide between pursuing development and addressing climate change, and finance for climate change should not come at the expense of assistance for other critical development needs. Countries face increasing financing needs, especially those vulnerable to climate-related shocks, leading to a growing demand for concessional finance. We agree to:

(a) Institutionalize state-contingent clauses as an expected element to all sovereign lending.

(b) Take concrete steps to ensure that the private sector, especially large corporations, contributes to sustainability and protecting our planet, including through strengthening reporting procedures and making ratings of investment products more credible.

(c) Request the Secretary-General, in partnership with relevant stakeholders, to initiate an independent process to develop a set of metrics to inform future access to and concessionality in climate and development financing, based on a review of existing frameworks and taking into account all forms of vulnerability and the multidimensional vulnerability index, and to put forward options for consideration at the Fourth International Conference on Financing for Development in 2025.

Action 48. We will develop a framework on measures of progress on sustainable development to complement gross domestic product.

59. We recognize that the economic, social and environmental dimensions of sustainable development must be pursued in a balanced and integrated manner. We request the Secretary General to:

a) Establish an independent high-level expert group to develop recommendations for a limited number of country-owned and universally applicable indicators that go beyond GDP, in close consultation with Member States and relevant stakeholders, taking into account the work of the Statistical Commission,

and to present the outcome of its work during the eightieth session of the General Assembly, and subsequently establish an intergovernmental process to consider these recommendations.

Action 49. We will strengthen the international response to complex global shocks.

60. We recognize the need for a more coherent, coordinated and multidimensional international response to complex global shocks. Complex global shocks are events that have severely disruptive and adverse consequences for a significant proportion of the global population, and that lead to impacts across multiple sectors, requiring a multidimensional and multistakeholder response. They have a disproportionate impact on the poorest and most vulnerable people in the world and usually have disastrous consequences for sustainable development and prosperity. The principles of equity, solidarity and partnership will guide our future responses to complex global shocks, with full respect to the Charter, including its purposes and principles. We commit to uphold the Secretary-General's role to, inter alia, convene Member States, coordinate the whole multilateral system, and engage with relevant stakeholders in response to crises. We request the Secretary-General to:

- (a) Convene and operationalize emergency platforms in response to future complex global shocks.
- (b) Develop protocols for convening and operationalizing emergency platforms, recognizing the need for flexible approaches to respond to a range of different complex global shocks, in consultation with Member States.
- (c) Ensure that an emergency platform would not be a standing institution or entity and would be convened for a finite period.
- (d) Ensure that the convening of an emergency platform supports and complements the response of United Nations' principal organs and specialized agencies mandated to respond to crises, and that it should not affect the mandated role of any intergovernmental body or duplicate ongoing intergovernmental processes.

Action 50. We will strengthen the international governance arrangements for the environment to enhance cooperation and deliver on our ambition to protect our planet.

61. We recognize the critical importance of tackling global environmental challenges and crises to the future well-being of people and planet. We agree to:

- (a) Explore options in the United Nations Environment Assembly to strengthen the global governance of the environment with the aim of accelerating the implementation of existing commitments and strengthening compliance and accountability, including commitments related to financing action to address global environmental challenges and crises.

Action 51. We will strengthen our engagement and partnerships with relevant stakeholders to deliver on existing commitments and address new and emerging challenges.

62. We recognize the importance of strengthening the United Nations' engagement with other actors. We agree to:

- (a) Ensure that relevant stakeholders can meaningfully participate in United Nations' processes and that Member States have access to the views and expertise of partners on a systematic basis.
- (b) Establish continuous and open channels of communication between UN intergovernmental bodies and civil society, allowing for ongoing dialogue, exchange of information, and collaboration beyond formal meetings, including through briefings, consultations, and interactive dialogues.
- (c) Leverage the private sector's unique role and contribution to addressing global challenges and strengthen their accountability towards the implementation of the agreed frameworks of the United Nations.

(d) Strengthen the engagement of local and regional authorities in United Nations intergovernmental bodies and processes and request the Secretary-General to provide recommendations on this matter by the end of the seventy-ninth session for Member States' consideration.

(e) Deepen United Nations' engagement with national parliaments in United Nations intergovernmental bodies and processes.

(f) Enhance cooperation between the United Nations and regional, sub-regional and other organizations, which will be critical to maintaining international peace and security, promoting and protecting human rights, and achieving sustainable development.

Action 52. We will strengthen the governance of outer space to foster the peaceful, safe, secure and sustainable uses of outer space for the benefit of all humanity, including developing countries.

63. Outer Space is identified by international law as a global common, guided by the principle of the common heritage of mankind. Humanity's relationship to outer space is dramatically changing and we need global governance to adapt. We are living through an age of increased access and operations in outer space. The growth in the number of objects in outer space, the increasing role of the private sector, the return of humans to deep space, and our expanding reliance on outer space systems demands that we urgently establish inclusive and equitable global governance that is fit for purpose today and in the future. Stronger outer space governance is critical to the achievement of Agenda 2030. The opportunities for people and planet are enormous, but there are also risks that must be managed. We agree to:

(a) Launch a process in the Committee on the Peaceful Uses of Outer Space to develop a unified regime for space sustainability in the areas of space traffic management, space debris removal, and space resource activities, including coordination on missions and exchange of data and findings from the exploration and use of the Moon and other celestial bodies.

(b) Strengthen the engagement of relevant private sector, civil society, and other relevant stakeholders in intergovernmental processes related to outer space.



PRIME MINISTER
The Hon Anthony Albanese MP

Mr Steve Howard
Secretary General
The Global Foundation
PO Box 380
FLINDERS LANE VIC 8009

Dear Steve

Thanks for your letter of 24 May 2024 and for the update on all the work being done by The Global Foundation.

I warmly remember my participation in the Foundation's inaugural *Rome Roundtable* meeting, in 2016.

It is great to hear about the work you have been doing on global sustainability issues, which is a true challenge of our times. I wish you and The Foundation all the best for your fifth *Rome Roundtable* taking place in June and applaud your plans for further collaborative work in this area.

These kind of dialogues, reaching across countries and drawing in perspectives from many walks of life, are increasingly important if we are to deal with the complex global challenges facing us as a global community.

I wish you all the best also for your Assisi Chapel project.

Best Wishes



ANTHONY ALBANESE