

The Paris Summit for a New Financing Pact

What's the Opportunity? How to Leverage it?

Joint briefing with What World Strategies, March 9 2023

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We need a big shock of concessional financing. (...) All the middle-income countries, some emerging ones, the poorest countries: they have all seen us, the richest countries during the pandemic. We faced all the same shock, in a symmetric way, and we did exceptional things. Back then, we mobilized exceptional financial resources.

And they tell us “but what is happening to us is exceptional: the end of water on our soil, the radical changes which make our life impossible. And now, you tell us that we go back to business as usual.” **They are right, we cannot continue to do business as usual.**

-EMMANUEL MACRON, COP27



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Ours is now the moment for the
**construction of a new global deal, and a
new social compact.**

-MIA MOTTLEY, NELSON MANDELA LECTURE



What we know

- June 22 and 23 2023 in Paris
- G20++ summit, co-chaired with India
- Focus:
 - Reform the global financial system to deliver more resources for climate and poverty reduction;
 - to protect these resources even in case of external shocks;
 - to meet the highest fairness standards.
- Outcomes:
 - Political declaration
 - Launch of longer term reform processes
 - Action coalitions

Timeline



Set up

- Steering Committee

- 4 Working Groups:

1. Ensuring more fiscal space for the most affected countries

MDB Reform, debt clauses, SDRs...

2. Financing the private sector in low-income economies

Sovereign wealth funds, private sector instruments of MDBs, carbon markets...

3. Increasing investment in green infrastructures in emerging and developing markets

How to fund JETPs going forward...

4. Developing innovative solutions to provide additional resources in support of countries vulnerable to climate change

Taxes, insurance-based mechanisms...

- High-Level Group of Economists

What's on the agenda...or not

- \$100B in reallocated Special Drawing Rights
- \$100B in climate financing
- Reform of the MDBs
- Natural disaster and pandemic clauses for new debt contracts
- Mechanisms to address existing debt stock
- International tax earmarked for climate and development
- Private sector ??
- Mitigation Trust Fund
- ODA/ IDA replenishment



HOW TO WORK **TOGETHER**

- WHATSAPP group for intel sharing and action coordination
- CO-SIGN policy briefings and letters
- REGULAR REGIONAL CALLS on the Bridgetown agenda
- GOOGLE DRIVE with policy briefings, official documents etc.

MERCI !

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