



## Regional Policy Positions: South Asian Positions on Financing Post-2015

Regions Refocus, an initiative housed at the Dag Hammarskjöld Foundation, has compiled below the proposals of South Asian governments, articulated in the negotiations towards the [Third Conference on Financing for Development](#) (FfD3) and the [Post-2015 Sustainable Development Agenda](#), related to the main themes of the **South Asia Workshop on Financing for Development (FfD): Advancing Progressive Regional to Global Policies**, held 7-8 June in Colombo, Sri Lanka.

The draft language listed in the right column comes from the 7 May Draft of the Addis Ababa Accord (FfD3), the Discussion Document and Targets Document for the Declaration of the post-2015 agenda, prepared by the co-facilitators of each process. This column also includes stipulations made by the resolution defining the mandate of the High-Level Political Forum. The left column includes statements made by South Asian governments during the FfD3 negotiations (Drafting Session 1 = D1, Drafting Session 2 = D2, First Informals 12-15 May, Second Informals 26-29 May, and Third Informals 1-5 June), and the third, fourth, and fifth sessions of the intergovernmental negotiations towards the post-2015 agenda.

Try the “Traffic Light” exercise: Mark the positions and agreed language below with a green, yellow, or red light according to how progressive the proposal:

- + for progressive recommendations
- for recommendations that could be amended for greater clarity or specificity
- x for recommendations that are regressive i.e. favor corporate influence or disregard human rights and environmental agreements

Below is our assessment, as a contribution to stimulate debate.

Topic	Proposals (and Proponents)	Draft Language (and Source)
<b>Domestic Public Finance</b>	<ul style="list-style-type: none"> <li><span style="color: green;">+</span> Upgrade the UN Committee of Experts on International Cooperation in Tax Matters into an intergovernmental committee (G77/China, India, FfD3 D2 + Informals1 + Informals2)</li> <li><span style="color: orange;">-</span> Commit to scale up international cooperation on tax avoidance (G77/China, FfD3 D2 + Informals1, Bangladesh, FfD3 D1)</li> <li><span style="color: orange;">-</span> Differentiate between domestic resource mobilization and domestic resource utilization, which is a sovereign matter (India, FfD3 D2)</li> <li><span style="color: green;">+</span> ODA implementing organizations should comply with domestic income tax regulations (Nepal, FfD3 D1)</li> <li><span style="color: green;">+</span> Promote self-reliance and the use of indigenous resources at the national levels. (Pakistan, Post-2015 4)</li> <li><span style="color: orange;">-</span> There is a lack of empirical evidence that domestic resources could sufficiently and substantially contribute to the huge demands of a unified and universal development agenda.</li> </ul>	<ul style="list-style-type: none"> <li><span style="color: green;">+</span> Decide to upgrade the work of the United Nations Committee of Experts on International Cooperation in Tax Matters to an intergovernmental committee (FfD3)</li> <li><span style="color: orange;">-</span> We commit to enhance revenue administration through modernized, progressive tax systems, improved tax policy capacity and more efficient tax collection, as well as improve the fairness, transparency and effectiveness of our tax systems, including through broadening the tax base and continuing efforts to integrate the informal sector into the formal economy in line with country circumstances. (FfD3)</li> <li><span style="color: orange;">-</span> We encourage countries to implement measure to ensure transparency such as the Extractive Industries Transparency Initiative Standard (FfD3)</li> <li><span style="color: orange;">-</span> Work to gradually eliminate inefficient fossil fuel subsidies for production and</li> </ul>

	<p>The outcome document must not put unrealistic emphasis and burden on domestic resources. (Bangladesh, FfD3 Informals1)</p> <p>➕ The global partnership should be based on CBDR; North-South cooperation is at the core of this principle, while the private sector and South-South cooperation are only complements. (G77/China, FfD3 Informals2)</p>	<p>consumption, minimizing adverse impacts on poor and disadvantaged communities, taking into account the specific conditions of developing countries. (FfD3)</p>
<b>International Public Finance</b>	<p>➕ We urge all developed countries that have not yet done so to substantially increase their ODA starting immediately with a view to fully implementing by 2020 their commitment to allocate 0.7 per cent of GNI as ODA to developing countries, with 0.2 to 0.25 of GNI to LDCs. Developed countries commit to establish, by the end of 2015, binding timetables by region to illustrate how they will increase their assistance and reach their present and future commitments (G77/China, FfD3 Informals1)</p> <p>➕ ODA must support national development strategies, be demand-driven, and prioritize the needs of LDCs (Nepal, FfD3 D1 + FfD3 D2)</p> <p>➖ Fulfill ODA commitments, use ODA as a catalyst to mobilize other resources. (Pakistan, Post-2015 4)</p> <p>➖ FfD3 outcome document should emphasize ODA and encourage contributions to climate finance (Nepal, FfD3 D1)</p> <p>➖ Delete references to the modernization of the ODA definition. Any discussion of changing ODA must be open, transparent, inclusive, and take place in the UN and not elsewhere (G77/China, FfD3 D2, Informals3)</p> <p>➕ Separate climate finance under the United Nations Framework Convention on Climate Change (UNFCCC) process and ODA. (Nepal, Maldives/AOSIS, Post-2015 4)</p> <p>➕ Climate finance must be additional to ODA, must not be not be double-counted as ODA. (Bangladesh, FfD3 D1, Pakistan, Post-2015 4, G77/China FfD3 Informals1 + Informals3)</p> <p>➕ Avoid the double- and triple-counting of aid. (G77/China, Post-2014 4)</p> <p>✘ Delete text on innovative financing mechanisms; replace with “We further invite countries to consider implementing additional innovative modalities, as appropriate.” (G77/China, FfD3 D2 + Informals1 + Informals2)</p>	<p>➕ Urge all developed countries that have not yet done so to substantially increase their ODA starting immediately with a view to implementing by 2020 their commitment to allocate 0.7 per cent of GNI as ODA to developing countries, with 0.15-0.20 of GNI to LDCs. (FfD3)</p> <p>➖ We urge all developed countries to allocate at least 50 per cent of net ODA to LDCs. (FfD3)</p> <p>➕ We will hold open, inclusive and transparent discussions on the modernization of the ODA definition and on the proposed indicator of “total official support for sustainable development” (TOSSD) and we agree that any such measure will not dilute commitments already made. (FfD3)</p> <p>➕ We reaffirm the importance of meeting in full existing commitments under international conventions, including on climate finance and other key global challenges.... We welcome pledges made to the Green Climate Fund and the Board's work to start financing projects as soon as possible.... We also welcome the Board's decision to aim for a floor of 50 per cent of the adaptation allocation for particularly vulnerable developing countries, including SIDS, LDCs, and African countries. We note the importance of continued support to address gaps in the capacity to gain access to and manage climate finance. (FfD3)</p> <p>➖ We further invite countries to consider implementing additional domestic innovative modalities, including a financial transaction tax, carbon taxes or market-based instruments that price carbon, taxes on fuels used in international aviation and maritime activities, or additional tobacco taxes. (FfD3)</p>
<b>Domestic</b>	<p>➕ The role of the private sector is to</p>	<p>➖ We call on businesses to apply their</p>

<p><b>and Internati onal Private Finance</b></p>	<p>complement, not substitute for, international cooperation. States should not abdicate their responsibility to the private sector. (India, Post-2015 4)</p> <ul style="list-style-type: none"> <li>➕ Importance of: quality and value addition of FDI; opportunity for the domestic private sector to build capacity through transfer of technology and knowledge; and maintaining policy space without putting the entire burden of development on the private sector (G77/China, FfD3 D1)</li> <li>➕ Foreign direct investment (FDI) should be directed toward financing sustained economic growth (G77/China, FfD3 Informals2)</li> <li>➖ Businesses should embrace corporate responsibility and good governance, and take full account of the development, environmental and social impacts of their activities. (G77/China, FfD3 Informals2)</li> <li>➖ FfD3 should acknowledge the role of remittances in funding consumption, and address humanitarian concerns faced by migrant laborers. (Nepal, FfD3 D1)</li> <li>➕ Remittances cannot be considered as a substitute for foreign direct investment, ODA, debt relief or other public sources of finance for development. (G77/China, FfD3 Informals1 + 2)</li> <li>➕ Enhance the investment potential of LDCs; support LDCs on the use of remittances in the public sector; encourage MDBs to issue local currency bonds in LDCs; create a minimum threshold for FDI to LDCs; and promote a knowledge-based economy in the LDCs. (Nepal, FfD3 D2)</li> <li>➕ FDI should employ maximum local content, including human resources in technical and managerial positions, and establish linkages, both backward and forward, with domestic suppliers and linkages for local enterprises with global value chains. (G77/China, FfD3 Informals2)</li> </ul>	<p>creativity and innovation toward solving sustainable development challenges and to engage as partners in the development process. (FfD3)</p> <ul style="list-style-type: none"> <li>➖ We will adopt regulatory frameworks that foster a dynamic and well-functioning business sector, while protecting labour rights and environmental and health standards in accordance with internationally agreed norms. (FfD3)</li> <li>➖ We will reduce the transaction costs of migrant remittances to less than 3 per cent, and will ensure that no remittance corridor requires charges higher than 5 per cent by 2030. We will address the most significant obstacles to the continued flow of remittances, such as the trend of banks withdrawing services, to ensure unrestricted access to remittance transfer across borders. (FfD3)</li> <li>➖ LDCs will continue to improve their enabling environments and we agree to adopt and implement investment promotion regimes for LDCs and to offer financial and technical support for project development and contract negotiation, advisory support in investment related dispute resolution, access to information on investment facilities and risk insurance and guarantees. (FfD3)</li> </ul>
<p><b>Trade</b></p>	<ul style="list-style-type: none"> <li>➕ The trade regime should be rule-based and take into account the vulnerability of SIDS (Maldives/AOSIS, FfD3 D1)</li> <li>➖ International trade rules should be simplified. (Bangladesh, FfD3 D1)</li> <li>➖ Note that regional and interregional trade agreements could fragment the policy environment and undermine poverty reduction</li> </ul>	<ul style="list-style-type: none"> <li>➖ We will continue to promote a universal, rules-based, open, non-discriminatory and equitable multilateral trading system under the World Trade Organization (WTO). (FfD3)</li> <li>➖ We will endeavour to significantly increase world trade in a manner consistent with the SDGs, including exports from developing countries, in particular from LDCs, with a view</li> </ul>

	<p>strategies (G77/China, FfD3 D1)</p> <ul style="list-style-type: none"> <li>➤ Remove trade distorting measures and ensure greater market access, especially for LDCs (G77/China, FfD3 D1 + Informals1)</li> <li>➤ Call for duty-free and quota-free access to markets (Bangladesh, Nepal, FfD3 D1)</li> <li>➤ Propose language on: a transparent, predictable and more inclusive multilateral trading system; the role of trade in poverty reduction; the negative effects of trade barriers and unilateral trade sanctions; special and differential treatment to developing countries, particularly those in special situations; policy space for national development strategies; and targeting of 50% Aid for Trade support to LDCs. (G77/China, Post-2015 4)</li> </ul>	<p>towards doubling their share of global exports by 2020. (FfD3)</p> <ul style="list-style-type: none"> <li>➤ Members of the WTO will realize timely implementation of duty-free and quota-free market access for products originating from the LDCs on a lasting basis, consistent with WTO decisions. We will also take steps to facilitate market access for LDC products including by ensuring simple and transparent rules of origins applicable to imports from LDCs. (FfD3)</li> <li>➤ Members of the WTO will implement the principle of special and differential treatment (S&amp;D) for developing countries, in particular LDCs.... Given the unique and particular vulnerabilities in SIDS, we will support their further integration regionally and in world markets. (FfD3)</li> </ul>
<b>Debt</b>	<ul style="list-style-type: none"> <li>➤ Welcome the upcoming first working session of the <i>Ad Hoc</i> Committee on sovereign debt restructuring, note its importance for developing countries (G77/China, FfD3 D1)</li> <li>➤ Include stronger references to the work of UNCTAD in debt management; language on combating the effects of “vulture funds”; and reference to UNCTAD’s principles on sovereign lending and borrowing (G77/China, FfD3 D2 + Informals1 + Informals3)</li> <li>➤ High levels of debt of SIDS must be given attention in both FfD and post-2015. (Maldives/AOSIS, Post-2015 4)</li> <li>➤ Agree to consider the implementation of the full cancellation of multilateral and bilateral debt of LDCs and impose a moratorium on debt owed by LDCs, pending the full cancellation of their debt. (G77/China, FfD3 Informals1)</li> <li>➤ Through a new HIPC-type initiative, look at countries in debt distress and see how they can be helped. FfD3 has to send a message that these countries will not be abandoned by the international community (G77/China, FfD3 Informals3)</li> </ul>	<ul style="list-style-type: none"> <li>➤ We affirm the importance of debt restructurings being timely, effective and fair.... The ability of countries to achieve sustainable development and the SDGs should be taken into account in debt restructurings. (FfD3)</li> <li>➤ We acknowledge UNCTAD's principles on Responsible Sovereign Lending and Borrowing, as well as the effort of the Working Party on Export Credits and Credit Guarantees of the OECD to provide guidance to its members on responsible sovereign borrowing and on lending to sovereigns. (FfD3)</li> <li>➤ We acknowledge that debt sustainability challenges facing many SIDS require an urgent solution, and the importance of ensuring debt sustainability to the smooth transition of countries that have graduated from LDC status.</li> </ul>
<b>Systemic Issues</b>	<ul style="list-style-type: none"> <li>➤ Strengthen the voice and representation of developing countries in the governance of IFIs, including geographic balance in the selection of the heads of these institutions (G77/China, FfD3)</li> <li>➤ Strengthen the role of the special drawing rights (SDRs) in the international monetary system, including through necessary reforms to</li> </ul>	<ul style="list-style-type: none"> <li>➤ We recommit to broadening and strengthening the voice and participation of developing countries in international economic decision-making and norm setting and global economic governance. (FfD3)</li> <li>➤ We remain committed to maintaining a strong and quota-based IMF, with adequate</li> </ul>

	<p>their functionality and allocation, and have the IMF periodically consider meaningful and regular periodic allocations of SDRs with a development dimension. (G77/China, FfD3 Informals1)</p> <ul style="list-style-type: none"> <li>➕ The FfD3 process should be based on the Monterrey Consensus and Doha Declaration (Sri Lanka, FfD3 D1)</li> <li>➖ Need a global commitment to establish differentiated country-level policy frameworks; a focus on long-term challenges such as infrastructure and education; and simplified procedures to access innovative finance (Bhutan, FfD3 D2)</li> <li>➕ Developed countries should allocate resources to address their own consumption patterns (India, FfD3 D2)</li> <li>➕ SIDS should be included in setting norms for, and governance of, IFIs (Maldives/AOSIS, FfD3 D2)</li> <li>➕ Need stronger language on an “inbuilt safety net” for LDCs to respond to external shocks caused by financial disruptions in major economies (Bangladesh, FfD3 D2)</li> <li>➕ Include language on the need for: effective surveillance of policies in developed countries that have disproportionate impacts on the global economy; strengthening participation of developing countries in all standard-setting bodies; and a balance between capital and labor mobility. (India, FfD3 D2)</li> </ul>	<p>resources to fulfill its systemic responsibilities. We invite the IMF to consider regular periodic allocations of its special drawing rights (SDRs). (FfD3)</p> <ul style="list-style-type: none"> <li>➖ We acknowledge that we need to limit financial regulatory reliance on credit rating agency assessments.... We agree on building greater transparency to evaluation standards of credit rating agencies. (FfD3)</li> <li>➕ We call on relevant regulatory bodies to adopt measures to reduce excess volatility in food commodity and derivative markets and to facilitate timely access to market information. (FfD3)</li> </ul>
<p><b>Science, technology, innovation and capacity building</b></p>	<ul style="list-style-type: none"> <li>➕ Technology sharing with LDCs should be promoted (Bangladesh, FfD3 D1)</li> <li>➖ Action-oriented language on STI and capacity building is required. (India, FfD3 D2)</li> <li>➖ SIDS require modern, clean technology investments and know-how, in particular in the areas of ocean-based technology, and connectivity and use of ICT through infrastructure, training and national legislation. (Maldives/AOSIS, Post-2015 4)</li> <li>➕ Public policies should include social and moral incentives for investing in technology, not only corporate ones. (Bangladesh, Post-2015 4)</li> <li>➕ Commitments should be made by developed countries to provide technical assistance for capacity building in ICT and to promote increased access to the internet in order to bridge the digital divide. (G77/China, FfD3 Informals1)</li> </ul>	<ul style="list-style-type: none"> <li>➕ We look forward to the recommendations of the High-Level Panel on organizational and operational functions of a proposed technology bank for LDCs, and commit to expeditiously establish and make fully operational the technology bank and the science, technology and innovation capacity building mechanism for LDCs by 2017. (FfD3)</li> <li>➖ We will support domestic technology development, research and innovation in developing countries, including by ensuring a conducive policy environment for industrial diversification and value addition to commodities. (FfD3)</li> <li>➖ We agree to adopt science, technology and innovation (STI) strategies as integral elements of our national sustainable development strategies to help strengthen knowledge sharing and collaboration among relevant</li> </ul>

	<ul style="list-style-type: none"> <li>– A TFM should constitute the core of the MOI portion of the post-2015 agenda; the recommendations of the UNGA dialogues on the TFM provide the guidelines (Sri Lanka, Post-2015 4)</li> <li>– Need a clear and ambitious road map for addressing technology; the TFM should not focus only on the environmental dimension; address gaps in the cycle from research to diffusion of technology. (Pakistan, Post-2015 4)</li> <li>– Ensure an IPR regime that supports the achievement of the SDGs; separate the discussion of IPR issues regarding energy from those of vaccines and essential medicines (G77/China, FfD3 D2)</li> </ul>	<p>stakeholders, including through sound regulation and balanced intellectual property rights regimes. (FfD3)</p> <ul style="list-style-type: none"> <li>– We will support research and development of vaccines and medicines for the communicable and noncommunicable diseases that primarily affect developing countries, and provide access to affordable essential medicines and vaccines, in accordance with the TRIPS Agreement and Public Health and other relevant agreements. (FfD3)</li> </ul>
<p><b>Data, Monitoring, and Follow-Up</b></p>	<ul style="list-style-type: none"> <li>– Standardize data pertaining to international resource mobilization including ODA; develop disaggregated statistics and appropriate indicators to assess progress based on the SAMOA Pathway (G77/China, FfD3 D2)</li> <li>+ Commit to provide international cooperation, including through tech and financial support, to further strengthen the capacity of our national statistical offices and systems (G77/China, FfD3 Informals1)</li> <li>– Monitoring and implementation must be carried out at the global level (Nepal, FfD3 D1)</li> <li>+ Establish an Intergovernmental Commission/Committee/Mechanism under the auspices of the UN for monitoring, following-up and reviewing progress, which will be essential to the achievement of international commitments regarding financing for development. We also commit to monitor progress in implementing the agreements, in an open, inclusive and transparent manner (G77/China, FfD3 Informals1)</li> <li>+ We recognize that greater transparency is essential for monitoring financing for development commitments. This can be achieved by all official providers taking the lead in publishing timely, comprehensive and forward-looking information on development in a standardized, open, electronic format based on strengthening existing global publishing standards such as International Aid Transparency Initiative (IATI). All other development actors should be encouraged to follow this lead. (Bangladesh, FfD3 Informals1)</li> </ul>	<ul style="list-style-type: none"> <li>– We will seek to increase significantly the availability of high-quality, timely and reliable disaggregated data, including by gender, in support of the post-2015 development and its means of implementation. (FfD3)</li> <li>– We will enhance capacity building support to developing countries, including for LDCs and SIDs, to increase significantly the availability of high-quality, timely and reliable disaggregated data, including by gender. We will assist developing countries in collecting disaggregated data on domestic flow of funds by strengthening national statistical authorities and bureau. (FfD3)</li> <li>– We further call on the United Nations, in consultation with the IFIs to develop transparent measurements of progress on sustainable development that complement GDP, building on existing initiatives. (FfD3)</li> </ul>

	<p>[G77/China bracketed IATI reference]</p> <ul style="list-style-type: none"> <li>– Parliament is omitted in the Zero draft. Parliament could be usefully mentioned in the introductory section as well as more importantly in the final section on Data, monitoring and review (Bangladesh, FfD3 Informals1)</li> <li>+ Upgrade the Statistical Commission of the United Nations to become an intergovernmental open membership Commission (G77/China, FfD3 Informals1)</li> </ul>	
<p><b>Post-2015 MoI and FfD</b></p>	<ul style="list-style-type: none"> <li>+ The successful implementation of the post-2015 development agenda will depend on a strong MOI, including financial and non-financial instruments (Sri Lanka, FfD3 D1)</li> <li>+ The FfD3 process should be a set of tools that will support the implementation of the post-2015 development agenda, as FfD3 is a separate process whose scope goes beyond financing the SDGs (G77/China, Post-2015 4)</li> <li>– The relationship between post-2015 and FfD3 should be one of “complementarity, not subsidiarity.” The MOI component of the OWG proposal should not be replaced with the FfD3 outcome. Instead, SDG 17 should be seen as a “floor,” with FfD3 providing policy tools to implement the SDGs and their targets, and enhance their ambition. (India, Post-2015 4)</li> <li>– The FfD process should address the MoI goal as well as the other SDGs; individual country needs should be considered. (Maldives/AOSIS, FfD3 D2)</li> <li>– Duplication of work must be avoided (Nepal, FfD3 D1)</li> <li>– Include language on adequate, predictable and timely MOI to response to the level of ambition. (G77/China, FfD3 Informals2)</li> </ul>	<ul style="list-style-type: none"> <li>+ Our task is threefold: to follow-up on commitments and assess the progress made in the implementation of Monterrey and Doha; <b>to further strengthen the framework to finance sustainable development and the means of implementation for the universal post-2015 development agenda</b>; and to reinvigorate and strengthen the financing for development follow-up process to ensure that the actions we agree to are implemented and reviewed in an appropriate, timely and transparent manner. (FfD3)</li> <li>– Achieving all the SDGs will require a comprehensive and holistic approach, integrating the economic, social and environmental dimensions of sustainable development, and combining different means of implementation, as detailed in the subsequent chapters of this Accord. Our approach entails harnessing the considerable synergies across the goals, and identifying and addressing critical gaps, so that implementation of one will contribute to the progress of others. (FfD3)</li> </ul>
<p><b>Gender Equality</b></p>	<ul style="list-style-type: none"> <li>– We agree to provide financial assistance and technical support to developing countries in order to-promote equity, including gender equality, women and girls’ empowerment, and social inclusion as a desirable objective in our domestic policies. All countries should promote social infrastructure and policies to enable women’s full participation in the economy. (G77/China, FfD3 Informals1)</li> <li>✖ Delete reference to disaggregation of data by gender (G77/China, FfD3 Informals1)</li> <li>+ Support proposed language on the realization of the human rights of women and girls</li> </ul>	<ul style="list-style-type: none"> <li>+ We commit to ensure gender equality and women’s and girls’ empowerment, to promote and protect all human rights (FfD3)</li> <li>– Gender equality and the empowerment of women critical for sustainable development. (Post2015 Dec)</li> <li>+ We reaffirm that gender equality and empowering all women and girls is essential to achieve equitable sustainable growth and development. We reiterate the need for gender mainstreaming in the formulation and implementation of all financial, economic, and social policies and agree to take concrete</li> </ul>

(G77/China, FfD3 Informals2)

✖ Delete reference to ownership and control over land and inheritance (G77/China, FfD3 Informals2)

✖ We are flexible to addressing gender inequality, but don't see the need to mention gender in all paragraphs (G77/China, FfD3 Informals3)

policy actions to ensure women's equal rights, access and opportunities for participation and leadership in the economy. (FfD3)

➕ We agree to incorporate sustainable development, and promote equity, including gender equality, women and girls' empowerment, and social inclusion as an objective in our domestic policies... Countries should promote social infrastructure and policies to enable women's full participation in the economy. (FfD3)

➕ We recommit to adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels, and to eliminate gender-based discrimination in all its forms. We will ensure that by 2030 all men and women are given equal rights to economic opportunities, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services. (FfD3)

➖ We further encourage the private sector to contribute to advancing gender equality through ensuring women's full and decent work, equal pay and equal opportunities, including opportunities to participate in leadership and decision-making, as well as protecting them against discrimination and abuse in the workplace. (FfD3)