



NEW YORK, NY

20 - 24 March – Conference A

27 - 31 March – Conference B

nmun.org/nmun_ny.html

GENERAL ASSEMBLY SECOND COMMITTEE BACKGROUND GUIDE 2016

Written By: Anke Schwarzkopf, Asra Shakoov,
Yannick Stiller, Sara Calamitosi



NATIONAL MODEL UNITED NATIONS





THE 2016 NATIONAL MODEL UNITED NATIONS

SPONSORED BY THE NATIONAL COLLEGIATE CONFERENCE ASSOCIATION

20-24 March (Conf. A) & 27-31 March (Conf. B) • www.nmun.org

Kristina Getty &
Beatrice Soler
Secretaries-General

Ardis Smith &
Cara Wagner
Deputy Secretaries-General

Doug Arseneault &
Sara Johnsson
Chiefs of Staff

Nguyen Cao &
Camille Ellison
Assistant Chiefs of Staff

Sonia Patel &
Felipe Ante
Assistant Secretaries-General

Sabrina Grover &
Patrick Parsons
Under-Secretaries-General
General Assembly

Dinah Douglas &
Lauren Shaw
Under-Secretaries-General
Economic and Social Council

Michael Buechl &
Andrea Wong
Under-Secretaries-General
Development

Moritz Müller &
Claudia Sanchez
Under-Secretaries-General
Human Rights and
Humanitarian Affairs

Allison Chandler &
Clarissa Manning
Under-Secretaries-General
Peace and Security

Markus Petermann &
Carl Dionne
Under-Secretaries-General
Conference Services

NCCA BOARD of DIRECTORS

Prof. Eric Cox
President

Prof. Kevin Grisham
Vice-President

Prof. Chaldeans Mensah
Treasurer

Prof. Pamela Chasek
Secretary

Jennifer Contreras

Raymond J. Freda

Rachel Holmes

Amierah Ismail

Prof. Markéta Židková

Members Ex-Officio

Michael Eaton
Executive Director

Prof. Richard Murgo
Past President

Prof. Richard Reitano
President Emeritus

Dear Delegates,

Welcome to the 2016 National Model United Nations Conference in New York (NMUN•NY)! We are pleased to introduce you to our committee, the General Assembly Second Committee. The staff serving on this committee is: Directors Anke Schwarzkopf (Conference A) and Asra Shakoor (Conference B), and Assistant Directors Yannick Stiller (Conference A) and Sara Calamitosi (Conference B). Anke received her B.A. in Governmental Science/Social Science, Law and History from the University of Erfurt. Currently she is pursuing a Master's program in International and European Relations at Linköping University. This is her fourth year on staff. Asra recently graduated from the London School of Economics with a M.Sc. in Financial and Environmental Regulation. She now works for a Secretary of State in the United Kingdom Parliament and will be returning for her third year on staff. Yannick finished his B.A. in Political Science and Economics from Ludwig-Maximilian University Munich and is currently enrolled in a Master's program at the London School of Economics focusing on International Political Economy. This is his first year on staff. Having graduated with a Master's in Law at the University of Perugia, Sara is currently working as a trainee at a law firm. This will be her second year on staff.

The topics under discussion for the General Assembly Second Committee are:

- I. Promoting Access to Renewable and Sustainable Energy for Poverty Reduction and Sustainable Development
- II. Financing for Development
- III. World Commodity Trends and Prospects

The General Assembly is a principal organ of the United Nations, the only one with universal membership and equal voting. As one of the six Main Committees of the General Assembly, the Second Committee deals with economic and financial issues. It provides a forum for the international community to discuss issues such as international trade, sustainable development, and financial regulation. The Second Committee makes recommendations to the General Assembly Plenary and initiates conferences, assembles working groups, and prepares studies to advance the topics of its focus.

We hope you will find this Background Guide useful as an introduction to the topics for this committee. However, it is not intended to replace individual research. We highly encourage you to explore your Member State's policies in-depth, as well as use the Annotated Bibliography and Bibliography to further your knowledge on these topics. In preparation for the conference, each delegation will submit a [position paper](#). Please take note of the [NMUN policies](#) on the website and in the [Delegate Preparation Guide](#) regarding plagiarism, codes of conduct, dress code, sexual harassment, and the awards philosophy and evaluation method. Adherence to these guidelines is mandatory.

The [NMUN Rules of Procedure](#) are available to download from the NMUN website. This document includes the long and short form of the rules, as well as an explanatory narrative and example script of the flow of procedure. It is thus an essential instrument in preparing for the conference, and a reference during committee.

If you have any questions concerning your preparation for the committee or the conference itself, feel free to contact the Under-Secretaries-General for the General Assembly Department, Sabrina Grover (Conference A) and Patrick Parsons (Conference B). You can reach either USG by contacting them at: usg.ga@nmun.org.

We wish you all the best in your preparations and look forward to seeing you at the conference!

Sincerely,

Conference A

Anke Schwarzkopf, *Director*
Yannick Stiller, *Assistant Director*

Conference B

Asra Shakoor, *Director*
Sara Calamitosi, *Assistant Director*

The NCCA/NMUN is a Non-Governmental Organization associated with the UN Department of Public Information, a UN Academic Impact Member, and a 501(c)(3) nonprofit organization of the United States.



Table of Contents

Abbreviations	3
United Nations System at NMUN•NY	5
Committee Overview	6
Introduction.....	6
Governance, Structure and Membership.....	7
Mandate, Functions and Powers.....	7
Recent Sessions and Current Priorities.....	8
Conclusion.....	10
Annotated Bibliography.....	11
Bibliography.....	11
I. Promoting Access to Renewable and Sustainable Energy for Poverty Reduction and Sustainable Development	14
Introduction.....	14
International and Regional Framework.....	15
Role of the International System.....	16
Promoting Access to Renewable and Sustainable Energy in Developing Countries.....	18
Conclusion.....	20
Further Research.....	20
Annotated Bibliography.....	21
Bibliography.....	22
II. Financing for Development	29
Introduction.....	29
International and Regional Framework.....	30
Role of the International System.....	32
External Debt.....	33
Mobilization of International Resources for Development.....	34
Capacity Building.....	35
Conclusion.....	36
Further Research.....	36
Annotated Bibliography.....	37
Bibliography.....	39
III. World Commodity Trends and Prospects	43
Introduction.....	43
International and Regional Framework.....	44
Role of the International System.....	45
Commodity Groups.....	46
Price Volatility.....	48
Conclusion.....	49
Further Research.....	50
Annotated Bibliography.....	51
Bibliography.....	53



Abbreviations

AAAA	Addis Ababa Action Agenda
ACORE	American Council on Renewable Energy
AEEP	Africa-EU Energy Partnership
AU	African Union
CDM	Clean Development Mechanism
COP	Conference of the Parties
CSO	Civil society organization
ECOSOC	Economic and Social Council
ENERGIA	International Network on Gender and Sustainable Energy
EU	European Union
EUEI PDF	EU Energy Initiative Partnership Dialogue Facility
FAO	Food and Agriculture Organization
FfD	Financing for development
FFD3	Third International Conference on Financing for Development
FfDO	Financing for Development Office
GA	General Assembly
GCP	Green Commodities Programme
GDP	Gross domestic product
GNI	Gross national income
HIPC	Heavily Indebted Poor Countries
IBRD	International Bank for Reconstruction and Development
IEA	International Energy Agency
IMF	International Monetary Fund
IPCC	Intergovernmental Panel on Climate Change
IRENA	International Renewable Energy Agency
LAC-Core	Latin American and Caribbean Council on Renewable Energy
LDCs	Least developed countries
LICs	Low-income countries
LLDCs	Landlocked developing countries
MDBs	Multilateral development banks
MDGs	Millennium Development Goals
NEPAD	New Partnership for Africa's Development
NGO	Non-governmental organization
ODA	Official development assistance
OWG	Open Working Group
RCF	Rapid Credit Facility
RECP	Africa-EU Renewable Energy Cooperation Programme
REEEP	Renewable Energy and Energy Efficiency Partnership
RELACCx	Renewable Energy Latin America and Caribbean Conference and Exhibition
Rio+20	United Nations Conference on Sustainable Development
SDGs	Sustainable Development Goals
SDSN	Sustainable Development Solutions Network
SE4ALL	Sustainable Energy for All
SEWA	Self Employed Women's Association
SIDS	Small Island Developing States
UN	United Nations
UNCDF	United Nations Capital Development Fund
UNCED	United Nations Conference on Environment and Development
UNCTAD	United Nations Conference on Trade and Development
UN DESA	United Nations Department of Economic and Social Affairs
UNDP	United Nations Development Programme
UNFCCC	United Nations Framework Convention on Climate Change
WB	World Bank

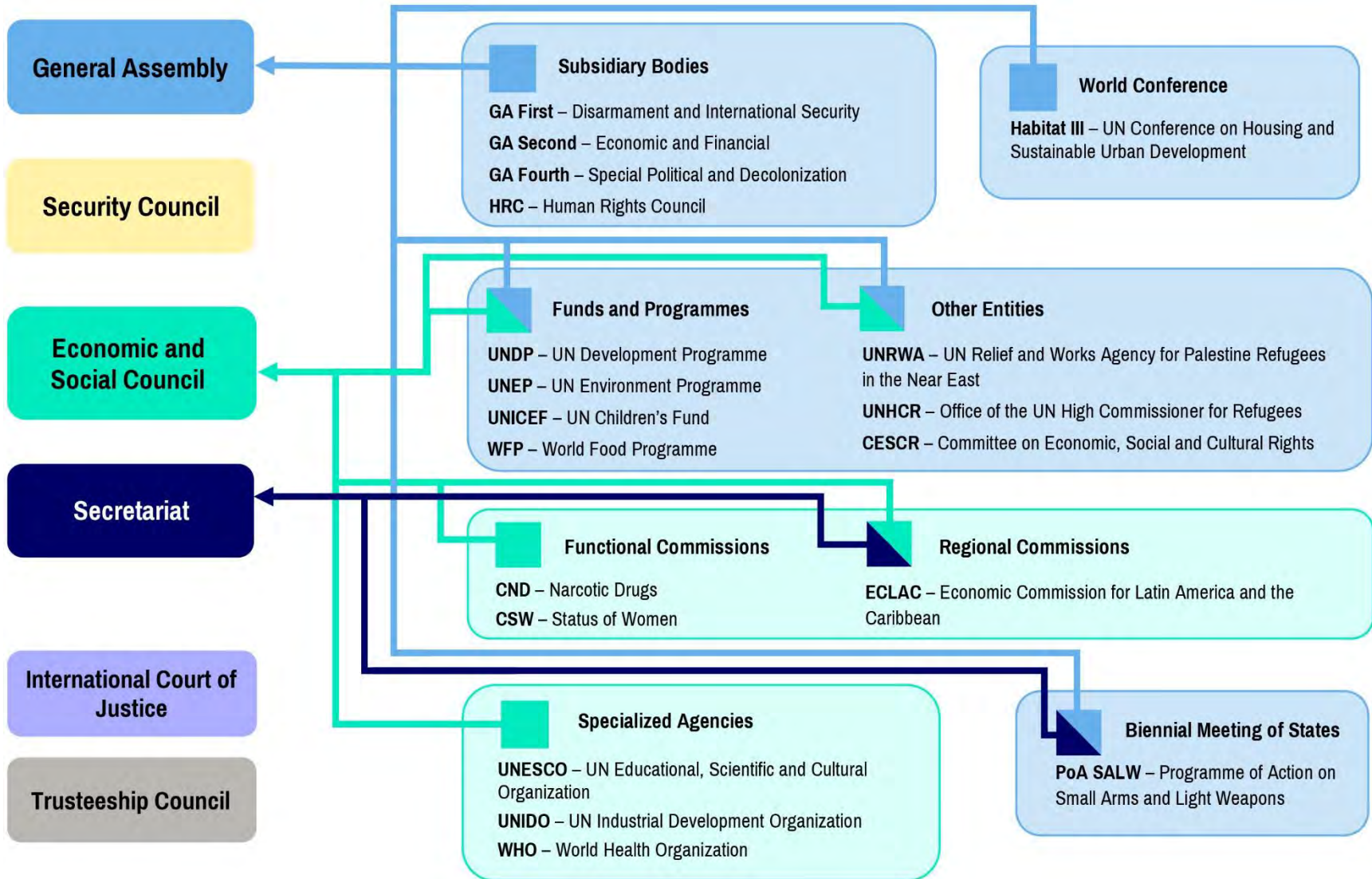


WBG
WHO
WTO

World Bank Group
World Health Organization
World Trade Organization

United Nations System at NMUN·NY

This diagram illustrates the UN System simulated at NMUN·NY. It shows where each committee “sits” within the system, to help understand the reportage and relationships between the entities. Examine the diagram alongside the Committee Overview to gain a clear picture of the committee's position, purpose, and powers within the UN System.





Committee Overview

“We must provide ideas for the redesign of policies to strengthen the impact on poverty and in employment, and on the promotion of structural change for a more sustainable future for all.”¹

Introduction

The General Assembly Second Committee is one of the six Main Committees of the United Nations (UN) General Assembly (GA).² Established as one of six principal organs during the foundation of the UN, the GA continues to remain a key element of this organization.³ This Committee Overview will briefly outline the history of the Second Committee, and provide a synopsis of its structure, governance, mandate, functions, and its prominence in recent sessions, particularly in relation to the topics that follow.

The General Assembly Second Committee (Second Committee) is one of the six Main Committees of the General Assembly. A report is issued to the General Assembly Plenary for each item allocated to a Main Committee.

Following the Second World War, the UN was formed to prevent the outbreak of future wars by fostering peace and security amongst states and resolving pressing global issues including securing fundamental human rights.⁴ Each of the GA Main Committees and the Economic and Social Council (ECOSOC) were tasked to focus on specific issues in fulfillment of the UN’s objectives as outlined under Articles 55 to 60 of the *Charter of the United Nations* (1945).⁵ Whilst differing in their areas of focus, the Main Committees share similar skeletal arrangements of structure, governance, membership, functions, and powers.⁶

With a focus on economic and financial issues of both the international system and Member States, the Second Committee specifically addresses the promotion of development and growth, the reduction of global poverty levels, and the improvement of social conditions and living standards.⁷ The Committee is instrumental in addressing the root causes of global economic instability and works with key actors such as ECOSOC, the International Monetary Fund (IMF), and the International Bank for Reconstruction and Development (IBRD) of the World Bank Group to reduce structural problems in developing states and restore economic stability.⁸

With the rise of economic crises and financial issues across the international system in the past 70 years, the Second Committee has delegated some of its work to other key international organizations such as the World Trade Organization (WTO).⁹ With these devolved powers, the Committee has revitalized its focus by aligning economic development goals with the post-2015 development agenda to ensure progress is made in achieving the goals and strengthening stability in the international system.¹⁰ The Second Committee focuses on the causes and effects of crucial events, as well as their triggering factors, to prevent similar occurrences and to promote economic growth and development.¹¹ This ensures that the Committee fulfills its role in maintaining economic stability, whilst offering a unique platform for Member States to generate new, innovative ideas while resolving existing issues.¹²

¹ UN DPI, *The UN General Assembly’s Second Committee*, 2013.

² UN General Assembly Second Committee, *Economic and Financial*, 2014.

³ *Charter of the United Nations*, 1945, Art. 55-60.

⁴ Ibid.

⁵ UN General Assembly, *About the General Assembly*.

⁶ Ibid.

⁷ *Charter of the United Nations*, 1945, Art. 55-60.

⁸ UN DPI, *Proposal for Sovereign Debt Restructuring Framework among 6 Draft Texts Approved by Committee*, 2014; UN General Assembly & UN ECOSOC, *Summary by the President of the Economic and Social Council of the special high-level meeting of the Council with the World Bank, the International Monetary Fund, the World Trade Organization and the United Nations Conference on Trade and Development (New York, 14 and 15 April 2014) (A/69/83-E/2014/71)*, 2014.

⁹ UN General Assembly Second Committee, *Economic and Financial*, 2014.

¹⁰ UN DPI, *Regulation of Financial Institutions Critical to Avoiding Spread of Global Risk, Speaker Says as Second Committee Debates Economic Crisis*, 2013.

¹¹ UN General Assembly Second Committee, *Economic and Financial*, 2014.

¹² Ibid.

Governance, Structure and Membership

Although its area of focus is different from other GA Main Committees, the Second Committee follows a similar structure with a plenary body of 193 Member States, as well as a number of Observer States and non-governmental organizations (NGOs) with observer status.¹³ With the exception of Observer States and NGOs, each Member State in the GA has one vote.¹⁴ In recent years, however, the GA has sought to move towards a model of achieving resolution by consensus rather than a formal vote to emphasize the importance of collaboration and cooperation of Member States.¹⁵

The GA meets annually, beginning with the General Debate in the third week in September.¹⁶ The GA's provisional agenda lays out the main issue areas for discussion by the Main Committees.¹⁷ This agenda allocates specific items to each of the Main Committees for the regular session.¹⁸ From January to September, the Committee focuses on thematic debates, consultations, and meetings through organized working groups.¹⁹ During these Committee sessions, Member States can discuss and address solutions to specific topics.²⁰

As a part of the UN reporting structure, there are five primary types of organizations that report to the GA and its six Main Committees: subsidiary bodies, funds and programs, research and training institutes, related organizations, and other entities.²¹ The GA will receive and consider reports on ongoing topics from the various bodies within each of these groups.²² The GA may take action on any of the items reported by these bodies, including ordering further study and investigation, creating a working group, or including it in documentation or resolutions drafted by the committee.²³ At the end of each year, the Second Committee submits a report to the GA Plenary on each agenda item allocated to it, and the Plenary then considers each report and votes on the adoption of included draft resolutions.²⁴ The Second Committee also specifically considers reports from ECOSOC, as outlined in its Organization of Work.²⁵ Importantly, while the GA is the main deliberative and policy organ of the UN, its decisions are not legally binding for Member States.²⁶

The UN Department of Economic and Social Affairs (UN DESA) is an arm of the UN Secretariat that focuses on development.²⁷ Working closely with the Second Committee, it supports initiatives and resolutions related to the organization's future development goals.²⁸ Along with this, the Office for ECOSOC Support and Coordination provides the main operational and policy support for ECOSOC and the Second Committee on development issues.²⁹ It also prepares and advises the GA Plenary on the periodic review of funding operational development activities.³⁰ The Fifth Committee specifically works with the GA and its Main Committees on budgetary allocations, especially where resolutions are passed that require expenditures.³¹

Mandate, Functions and Powers

Articles 55-60 of Chapter IV of the *Charter* outline the Committee's mandate, which includes addressing macroeconomic policy issues such as international trade, external debt sustainability, and financing for

¹³ New Zealand Ministry of Foreign Affairs & Trade, *United Nations Handbook 2014-15*, 2014, p. 12.

¹⁴ UN General Assembly, *Functions and Powers of the General Assembly*.

¹⁵ Ibid.

¹⁶ New Zealand Ministry of Foreign Affairs & Trade, *United Nations Handbook 2014-15*, 2014, p. 17.

¹⁷ UN General Assembly, *Agenda of the sixty-ninth session of the General Assembly (A/69/251)*, 2014.

¹⁸ UN General Assembly, *Past Sessions*.

¹⁹ Ibid.

²⁰ Ibid.

²¹ UN DPI, *The United Nations System*, 2015.

²² New Zealand Ministry of Foreign Affairs & Trade, *United Nations Handbook 2014-15*, 2014, p. 12.

²³ UN Dag Hammarskjöld Library, *UN Documentation: General Assembly*, 2014.

²⁴ Ibid.

²⁵ UN General Assembly, *About the General Assembly*.

²⁶ UN General Assembly, *Functions and Powers of the General Assembly*.

²⁷ UN DESA, *About Us*.

²⁸ Ibid.

²⁹ UN OESC, *About OESC*.

³⁰ Ibid.

³¹ UN General Assembly Fifth Committee, *About the Fifth Committee*.

development.³² In line with this, the Second Committee plays a key role in the post-2015 development agenda by addressing sustainable development, globalization and interdependence, and poverty eradication.³³ In addition, the Committee provides direction on special situations including least developed countries (LDCs), landlocked developing countries (LLDCs), and on the “permanent sovereignty of the Palestinian people in the Occupied Palestinian Territory, including East Jerusalem, and of the Arab population in the occupied Syrian Golan over their natural resources.”³⁴

As a normative body, the Second Committee works to develop norms and standards for the UN and helps implement these standards within Member States by supporting Member State-level legislation and policy.³⁵ The work of the Committee is chiefly substantive, with the exception of its work on the revitalization of the GA, where it works to streamline the overall program of work including the possibility of biennial and thematic groups of agenda items, updating working methods, and reducing the number and length of draft resolutions.³⁶

The Second Committee completes its work primarily through draft proposals and submissions of reports to the GA Plenary as outlined in the committee’s Organization of Work.³⁷ The Committee has the ability to convene relevant conferences and summits on the global development agenda, and usually comes to a consensus on votes.³⁸ Along with this, the Second Committee can request the Secretary-General to submit reports on significant issues and can host side events.³⁹ This is useful in fulfilling the Committee’s role of encouraging, strengthening, and improving the implementation of Member States’ commitments in relation to development and socio-economic goals.⁴⁰ Moreover, this power allows the Second Committee to take on more of an effective role and to concentrate on resolving numerous issues through these devolved powers.⁴¹

Recent Sessions and Current Priorities

In its 69th session, which took place from September 2014 to August 2015, the Second Committee was successful in addressing a range of topics, most of which are in line with the newly adopted development framework.⁴² In October 2014, the Committee paid tribute to gender empowerment and the “He for She” campaign by having Janet Gornick address the assembly as the keynote speaker, the first time a woman has served as keynote.⁴³ Gornick, who is Director of the Luxembourg Income Study Cross-National Data Center and Professor of Political Science and Sociology at the City University of New York, urged Member States to strengthen efforts to eradicate poverty by addressing structural imbalances in Member States and the vast roots of income inequality.⁴⁴

With this in mind and with the launch of the post-2015 development agenda to replace the Millennium Development Goals (MDGs) after their expiration in 2015, there has been considerable emphasis on the work of the Committee in generating new ideas to promote sustainable development, expanding information and communication technologies, and fostering successful macroeconomic policies.⁴⁵ The GA Committees have particularly focused on creating a smooth transition from the MDGs to the Sustainable Development Goals (SDGs) to ensure continuity in the global development agenda. Important events during the 70th session of the GA, including parallel negotiations on the new climate change agreement set to take place at the Paris Conference of the Parties (COP) in November and December 2015 and the recent adoption of the SDGs in September 2015, now seek to build off the work of the 69th session, which was dedicated to charting the “new era for development” to replace the MDGs.⁴⁶ Overall, there has been a

³² UN General Assembly Second Committee, *Economic and Financial*, 2014.

³³ Ibid.

³⁴ Ibid.

³⁵ UNEG, *UNEG Handbook for Conducting Evaluations of Normative Work in the UN System*, 2014.

³⁶ UN General Assembly Second Committee, *Economic and Financial*, 2014.

³⁷ UN General Assembly Second Committee, *Organization of work of the Second Committee (A/C.2/69/L.1)*, 2014.

³⁸ Ibid.

³⁹ New Zealand Ministry of Foreign Affairs & Trade, *United Nations Handbook 2014-15*, 2014.

⁴⁰ UN General Assembly Second Committee, *Organization of work of the Second Committee (A/C.2/69/L.1)*, 2014.

⁴¹ Ibid.

⁴² UN DPI, *Second Committee Opens Sixty-ninth Session Approving Organization of Work*, 2014.

⁴³ Ibid.

⁴⁴ Ibid.

⁴⁵ Ibid.

⁴⁶ UN DPI, *Eradication of poverty critical to future development activities, speakers stress as second committee opens session*, 2014.

particular emphasis on implementation to further ensure goals are achieved, and to improve the accountability of the UN system as a whole.⁴⁷ The Second Committee has focused on streamlining and integrating the SDGs in a number of ways, such as the integration of poverty eradication efforts, with solutions like responding to climate change and improving environmental protection.⁴⁸

The 70th session of the GA will look to ensure a smooth transition into the post-2015 development agenda.⁴⁹ The recent work of the Second Committee has further supported efforts with the post-2015 agenda with the 2014 approval of the draft text “Operational activities for development of the United Nations system.”⁵⁰ This text highlighted some of the wider problems that Member States must address to improve progress in delivering operational activities for development, including the importance of understanding the multidimensional nature of development and poverty.⁵¹ The importance of understanding current issues and cooperation amongst Member States was further emphasized with the approval of the 2014 text on “South-South cooperation,” which along with North-South Cooperation contributes to the overarching goal of strengthening the UN system.⁵² Not only has this fulfilled some of the Second Committee’s requirements in its mandate, it further illustrates how the Second Committee utilizes its powers effectively.⁵³ In its 70th session, the Second Committee will continue to use its mandated and delegated powers to build solutions on these issues by aligning efforts to achieve several goals at once.⁵⁴

The Second Committee has further used its position to stabilize the international financial system by combining its role in restructuring the Sovereign Debt Framework and making progress with development goals.⁵⁵ Following GA resolution 55/2 of 2000, which called for the UN to strengthen the financial system and support developing countries by ensuring they overcome obstacles in financing their sustained development, the Second Committee has been instrumental in making progress to achieve this.⁵⁶ The Second Committee addressed these commitments by convening international conferences to address financial issues for developing countries, including the 2002 International Conference on Financing for Development and the 2008 Review Conference.⁵⁷ More recently, various events were held to follow-up the implementation on these conferences.⁵⁸ The Third International Conference on Financing For Development (FFD3), which was held in July 2015 in Addis Ababa, Ethiopia, addressed the importance for Member States to build on and update existing dialogues, expand their role beyond that of financiers, and focus more on strengthening implementation in financing, technology transfer, capacity-building, and trade.⁵⁹ At the conference, Member States adopted the *Addis Ababa Action Agenda* that, according to UN Secretary-General Ban Ki-moon, was “a major step forward in building a world of prosperity and dignity for all.”⁶⁰ The conference was the “first of three milestones” for the future development framework, along with the Sustainable Development Summit in September 2015 in New York, and the new climate change agreement in December.⁶¹

⁴⁷ UN DPI, *Tackling Climate Change Will Enhance Efforts to Eradicate Poverty, Speaker Notes, as Second Committee Takes Up Global Partnerships for Development*, 2014.

⁴⁸ Ibid.

⁴⁹ UN General Assembly & UN ECOSOC, *Mainstreaming of the three dimensions of sustainable development throughout the United Nations system (A/70/75-E/2015/55)*, 2015.

⁵⁰ UN DPI, *As Second Committee Concludes Work Approving 8 Draft Resolutions, Operational Activities of Organization, South-South Cooperation Go To Recorded Vote*, 2014.

⁵¹ Ibid.

⁵² Ibid.

⁵³ Ibid.

⁵⁴ UN General Assembly Second Committee, *Side events of the 70th Session*, 2015.

⁵⁵ UN DPI, *Proposal for Sovereign Debt Restructuring Framework among 6 Draft Texts Approved by Second Committee*, 2014.

⁵⁶ UN General Assembly, *United Nations Millennium Declaration (A/RES/55/2)*. 2000.

⁵⁷ UN DESA, *Financing For Development*, 2015.

⁵⁸ Ibid.

⁵⁹ UN DPI, *Outcome of Financing for Development Conference Needs to ‘Make a Difference on the Ground’, Speaker Says, As Second Committee Debates Macroeconomic Policy*, 2014.

⁶⁰ Ibid.

⁶¹ Ibid.



Conclusion

As an essential component to the functioning of the UN, the role and work of the Second Committee is critical to resolving fundamental priorities such as the post-2015 development agenda. The Second Committee continues to consolidate its objectives and streamline its work with the overarching goal of stabilizing the international financial system and making progress toward development. In line with the recently adopted SDGs, the Committee has sought to foster innovative ideas by attempting to combine sustainable growth with meeting development targets. It is crucial for the Committee to effectively mobilize its resources and use its authority over other UN bodies to effectively address these key concerns and promote a stable global financial system. Moreover, the Second Committee must utilize emerging trends, patterns, and innovative ideas to discover new and effective solutions to ongoing challenges of sustainability. Many challenges remain ahead for the Second Committee, with accountability and implementation of the post-2015 development agenda chief among them. Yet, as this vision is developed and deployed across the organization, the Second Committee will continue to play a pivotal role in securing a more integrated and accountable approach in achieving these objectives.

Annotated Bibliography

New Zealand, Ministry of Foreign Affairs & Trade. (2014). *United Nations Handbook 2014-15*. Retrieved 24 August 2015 from: <http://www.mfat.govt.nz/UNHB2014/UN-Handbook-201415-17-nov-interactive.pdf>

This handbook provides a comprehensive look at the UN and its principal organs and committees. Delegates can find a detailed explanation of the structure, processes, and procedures of the Main Committees of the General Assembly in this source. The breakdown of the structure, membership, and functionality of these committees can be a useful point for delegates to begin their research and gain an overall understanding of where the committee falls within the UN framework.

United Nations, General Assembly. (n.d.). *Proposed Strategic Framework for the period 2016-2017* [Website]. Retrieved 21 August 2015 from: http://www.un.org/en/ga/fifth/69/psf_2016_2017.shtml

This source provides a proposal of the strategic framework for 2016-2017. This is useful to delegates by making them more aware of current trends and goals of the UN in the coming years. Moreover, the individual proposals of each topic allow delegates to gather the direction the UN is taking and consider this in drafting their own solutions to global issues. Delegates can thus approach the topics with more of a realistic scope and improve the quality of their work.

United Nations, General Assembly, Sixty-ninth session. (2014). *Programme of work of the General Assembly, Schedule of Plenary Meetings (A/INF/69/3)*. Retrieved 21 August 2015 from: <http://undocs.org/A/INF/69/3>

This resource provides delegates with the General Assembly Plenary agenda for the 69th session. The schedule provides delegates with a schedule of the meetings on each topic, allowing them full access to the events surrounding the relevant topics. By gathering a sense of the GA's objectives and the goals achieved during the session, delegates are able to further understand how the GA addresses its work, which can be useful when considering solutions to the topics proposed. Delegates can find this useful to grasp the important elements of the work of the GA.

United Nations, General Assembly, Sixty-ninth session. (2015). *Second Committee: Sixty-Ninth Session* [Website]. Retrieved 21 August 2015 from: <https://papersmart.unmeetings.org/ga/second/69th-session/documents/>

This source provides delegates with access to all of the reports and official documents of the Second Committee. This is extremely useful when researching topics, tracking the progress of changes, and in gathering a sense of the realistic results of the Committee. The abundant supply of information on this website and the continuous referencing to other materials will allow delegates to gather primary findings on the work of the Committee and deepen their understanding of the topics at hand.

United Nations, General Assembly, Second Committee, Sixty-ninth session. (2014). *Organization of work of the Second Committee (A/C.2/69/L.1)* [Agenda]. Retrieved 23 August 2015 from: <http://undocs.org/A/C.2/69/L.1>

This official document outlining the agenda items for the Second Committee provides a broad overview of issues to be addressed by the Committee during last year's session. The source is crucial for delegates to fully grasp the objectives of the 69th session. This framework will provide delegates with the key issues that were addressed, and can be useful in understanding how Topics I, II, and III have been mainstreamed across the agenda.

Bibliography

Charter of the United Nations. (1945). Retrieved 22 August 2015 from: <http://www.un.org/en/documents/charter/index.shtml>

New Zealand, Ministry of Foreign Affairs and Trade. (2014). *United Nations Handbook 2014-15*. Retrieved 24 August 2015 from: <http://www.mfat.govt.nz/UNHB2014/UN-Handbook-201415-17-nov-interactive.pdf>

United Nations, Dag Hammarskjöld Library. (2014). *UN Documentation: General Assembly* [Website]. Retrieved 22 August 2015 from: <http://research.un.org/content.php?pid=337769&sid=2890373>

United Nations, Department of Economic and Social Affairs. (n.d.). *About Us* [Website]. Retrieved 20 August 2015 from: <http://www.un.org/en/development/desa/what-we-do.html>



United Nations, Department of Economic and Social Affairs. (2015). *Financing for Development* [Website]. Retrieved 22 August 2015 from: <http://www.un.org/esa/ffd/>

United Nations, Department of Public Information. (2013, November 13). *Regulation of Financial Institutions Critical to Avoiding Spread of Global Risk, Speaker Says as Second Committee Debates Economic Crisis (GA/EF/3386)* [Meetings Coverage]. Retrieved 18 August 2015 from: <http://www.un.org/press/en/2013/gaef3386.doc.htm>

United Nations, Department of Public Information. (2013). *The United Nations System* [Chart]. Retrieved 24 August 2014 from: http://www.un.org/en/aboutun/structure/pdfs/UN_System_Chart_30June2015.pdf

United Nations, Department of Public Information. (2013). *The UN General Assembly's Second Committee* [Website]. Retrieved 24 August 2015 from: <http://www.un.org/en/development/desa/news/ecosoc/un-ga-second-committee.html>

United Nations, Department of Public Information. (2014, December 11). *As Second Committee Concludes Work Approving 8 Draft Resolutions, Operational Activities of Organization, South-South Cooperation Go To Recorded Vote (GA/EF/3418)* [Meetings Coverage]. Retrieved 21 September 2015 from: <http://www.un.org/press/en/2014/gaef3418.doc.htm>

United Nations, Department of Public Information. (2014, October 7). *Eradication of poverty critical to future development activities, speakers stress as second committee opens session (GA/EF/3395)* [Meetings Coverage]. Retrieved 22 August 2015 from: <http://www.un.org/press/en/2014/gaef3395.doc.htm>

United Nations, Department of Public Information. (2014, October 21). *Outcome of Financing for Development Conference Needs to 'Make a Difference on the Ground', Speaker Says, As Second Committee Debates Macroeconomic Policy (GA/EF/3403)* [Meetings Coverage]. Retrieved 23 August 2015 from: <http://www.un.org/press/en/2014/gaef3403.doc.htm>

United Nations, Department of Public Information. (2014, December 5). *Proposal for Sovereign Debt Restructuring Framework among 6 Draft Texts Approved by Committee (GA/EF/3417)* [Meetings Coverage]. Retrieved 17 September 2015 from: <http://www.un.org/press/en/2014/gaef3417.doc.htm>

United Nations, Department of Public Information. (2014, September 19). *Second Committee Opens Sixty-ninth Session Approving Organization of Work (GA/EF/3393)* [Meetings Coverage]. Retrieved 22 August 2015 from: <http://www.un.org/press/en/2014/gaef3393.doc.htm>

United Nations, Department of Public Information. (2014, October 30). *Tackling Climate Change Will Enhance Efforts to Eradicate Poverty, Speaker Notes, as Second Committee Takes Up Global Partnerships for Development (GA/EF/3409)* [Meetings Coverage]. Retrieved 23 August 2015 from: <http://www.un.org/press/en/2014/gaef3409.doc.htm>

United Nations Evaluation Group. (2014). *UNEG Handbook for Conducting Evaluations of Normative Work in the UN System*. Retrieved 22 August 2015 from: <http://www.uneval.org/document/detail/1484>

United Nations, General Assembly. (n.d.). *About the General Assembly* [Website]. Retrieved 23 August 2015 from: <http://www.un.org/en/ga/about/index.shtml>

United Nations, General Assembly. (n.d.). *Functions and Powers of the General Assembly* [Website]. Retrieved 4 August 2014 from: <http://www.un.org/en/ga/about/background.shtml>

United Nations, General Assembly. (n.d.). *Past Sessions* [Website]. Retrieved 23 August 2015 from: <http://www.un.org/en/ga/about/index.shtml>

United Nations, General Assembly. (n.d.). *Proposed Strategic Framework for the period 2016-2017* [Website]. Retrieved 21 August 2015 from: http://www.un.org/en/ga/fifth/69/psf_2016_2017.shtml

United Nations, General Assembly, Fifty-fifth session. (2000). *United Nations Millennium Declaration (A/RES/55/2)*. Retrieved 22 August 2015 from: <http://undocs.org/A/RES/55/2>

United Nations, General Assembly, Sixty-fourth session. (2010). *Implementation of Agenda 21, the Programme for the Further Implementation of Agenda 21 and the outcomes of the World Summit on Sustainable Development (A/RES/64/236)* [Resolution]. Adopted on the report of the Second Committee (A/64/420/Add.1). Retrieved 22 August 2015 from: <http://undocs.org/A/RES/64/236>

United Nations, General Assembly, Sixty-ninth session. (2014). *Agenda of the sixty-ninth session of the General Assembly (A/69/251)*. Retrieved 22 August 2015 from: <http://undocs.org/A/69/251>

United Nations, General Assembly, Sixty-ninth session. (2014). *Programme of work of the General Assembly, Schedule of Plenary Meetings (A/INF/69/3)* [Agenda]. Retrieved 21 August 2015 from: <http://undocs.org/A/INF/69/3>

United Nations, General Assembly, Sixty-ninth session. (2015). *Second Committee Sixty-Ninth Session* [Website]. Retrieved 21 August 2015 from: <https://papersmart.unmeetings.org/ga/second/69th-session/documents/>

United Nations, General Assembly, Fifth Committee. (n.d.). *About the Fifth Committee* [Website]. Retrieved 22 August 2015 from: <http://www.un.org/en/ga/fifth/about.shtml>

United Nations, General Assembly, Second Committee. (n.d.). *Economic and Financial* [Website]. Retrieved 23 August 2015 from: <http://www.un.org/en/ga/second/index.shtml>

United Nations, General Assembly, Second Committee, Sixty-third session. (2008). *Implementation of Agenda 21, the Programme for the Further Implementation of Agenda 21 and the outcomes of the World Summit on Sustainable Development (A/C.2/63/L.27)* [Draft Resolution]. Retrieved 20 August 2015 from: <http://undocs.org/A/C.2/63/L.27>

United Nations, General Assembly, Second Committee, Seventieth session. (2014). *Side events of the 70th Session* [Website]. Retrieved 21 September 2015 from: <http://www.un.org/en/ga/second/70/sideevents.shtml>

United Nations, General Assembly & United Nations, Economic and Social Council. (2014). *Summary by the President of the Economic and Social Council of the special high-level meeting of the Council with the World Bank, the International Monetary Fund, the World Trade Organization and the United Nations Conference on Trade and Development (New York, 14 and 15 April 2014) (A/69/83-E/2014/71)*. Retrieved 24 August 2015 from: <http://undocs.org/A/69/83-E/2014/71>

United Nations, General Assembly & United Nations, Economic and Social Council. (2015). *Mainstreaming of the three dimensions of sustainable development throughout the United Nations system: Report of the Secretary-General (A/70/75-E/2015/55)*. Retrieved 24 August 2015 from: <http://undocs.org/A/70/75>

United Nations, Office for ECOSOC Support and Coordination. (n.d.). *About OESC* [Website]. Retrieved 20 August 2015 from: <http://www.un.org/en/development/desa/oesc/about/index.shtml>

United Nations, Regional Commissions New York Office. (2013). *Dialogue of Executive Secretaries of the Regional Commissions with the Second Committee of the General Assembly, 31 October 2013* [Website]. Retrieved 20 August 2015 from: <http://www.regionalcommissions.org/?cat=63>

I. Promoting Access to Renewable and Sustainable Energy for Poverty Reduction and Sustainable Development

Introduction

Eradicating poverty and enhancing sustainable development through increasing access to renewable and sustainable energy is one of the highest priorities of the General Assembly (GA) Second Committee.⁶² With the expiration of the Millennium Development Goals (MDGs) in 2015, the United Nations (UN) is transitioning to the post-2015 development agenda and the newly agreed upon Sustainable Development Goals (SDGs).⁶³ The SDGs, which were adopted by the GA in September 2015, recognize the importance of eradicating poverty, achieving sustainable development, and promoting access to new and renewable energy resources through Goal 1, which aims to “end poverty in all its forms everywhere” and Goal 7, which seeks to ensure “access to affordable, reliable, sustainable and modern energy for all.”⁶⁴ For the first time, universal energy access has become a world priority, with recognition of the fundamental role of energy across the SDGs as a whole.⁶⁵

Reducing poverty levels continues to remain a leading global concern, as demonstrated by the high concentration of international efforts on this issue.⁶⁶ Nevertheless, there is no universal definition of poverty, which makes it difficult to determine effective guidelines for measuring poverty reduction.⁶⁷ The UN introduced one of the most comprehensive definitions, describing poverty as a:

“denial of choices and opportunities...a violation of human dignity. It means lack of basic capacity to participate effectively in society. It means not having enough to feed and cloth a family, not having a school or clinic to go to, not having the land on which to grow one’s food or a job to earn one’s living, not having access to credit. It means insecurity, powerlessness and exclusion of individuals, households and communities. It means susceptibility to violence, and it often implies living on marginal or fragile environments, without access to clean water or sanitation.”⁶⁸

The UN distinguishes extreme poverty as the condition of living on less than \$1 a day.⁶⁹ According to the 2015 *The Millennium Development Goals Report*, 825 million people continue to remain in extreme poverty, while a further 800 million continue to suffer from hunger.⁷⁰ Having access to energy is a crucial step in eradicating poverty and a prerequisite to ensuring the fulfillment of essential fundamental human rights.⁷¹ The lack of access to energy is an economic, social, and environmental problem, which results in little improvement to public health, education quality, and gender equality, threatening the achievement of the SDGs.⁷²

To achieve universal energy access for all, global efforts are required to incorporate renewable and sustainable sources of energy.⁷³ The International Energy Agency (IEA) defines renewable energy as “energy derived from natural processes (e.g. sunlight and wind) that are replenished at a faster rate than they are consumed,” and that “Solar, wind, geothermal, hydro, and some forms of biomass are common sources of renewable energy.”⁷⁴ Similar to definitions on poverty, however, there is no universally accepted definition of sustainable energy.⁷⁵ The 1987 report of the World Commission on Environment and Development, *Our Common Future*, identified sustainable energy as

⁶² UN DPI, *Eradication of Poverty Critical to Future Development Activities, Speakers Stress as Second Committee Opens Session*, 2014.

⁶³ UN General Assembly, *Transforming Our World: The 2030 Agenda for Sustainable Development (A/RES/70/1)*, 2015.

⁶⁴ Ibid.

⁶⁵ UN General Assembly, *Promotion of new and renewable sources of energy (A/RES/67/215)*, 2013, p. 2.

⁶⁶ UN General Assembly, *Second United Nations Decade for the Eradication of Poverty (2008–2017) (A/RES/68/226)*, 2013.

⁶⁷ UNESCO, *Learning to Live Together: Poverty*.

⁶⁸ UN Administrative Committee on Coordination, *Statement of Commitment for Action to Eradicate Poverty (ECOSOC/5759)*, 1998, para. 3.

⁶⁹ UNESCO, *Learning to Live Together: Poverty*.

⁷⁰ UN DESA, *The Millennium Development Goals Report*, 2015, p. 23.

⁷¹ UN General Assembly, *Promotion of New and Renewable Sources of Energy (A/RES/69/225)*, 2014.

⁷² Greenpeace et al, *The Right Climate For Development: Why The SDGs Must Act On Climate Change*, 2014, pp. 19-24.

⁷³ Greenpeace, *The Solution to The Climate Crisis: a Just Transition to 100% Renewable Energy For All by 2050*, 2014.

⁷⁴ IEA, *FAQs: Renewable Energy*.

⁷⁵ Dauvergne, *Handbook of Global Environmental Politics*, 2005, p. 92.

“the provision and use of energy that meets the needs of the present without compromising the ability of future generations to meet their own needs.”⁷⁶ Recent reports on energy production and consumption suggest a rapid increase in global energy demand, which is expected to rise further in the future, as a result of different rates of development.⁷⁷

Previously, the debate on poverty eradication focused on the incompatibility between development and environmental protection, with higher interest in energy derived from fossil fuels and nuclear power.⁷⁸ More recently, the significant attention to renewable sources of energy offers an irreplaceable opportunity to achieve a win-win scenario where it is feasible to reduce poverty and take action on climate change.⁷⁹ Despite this, the world still relies largely on fossil fuels.⁸⁰ Yet for the first time in 2008, investments in renewable energy technologies exceeded the funds allocated for fossil-fuel sources.⁸¹ Furthermore, in 2010, developing countries overtook developed economies in terms of financial new investments.⁸² This means a turning point is possible towards the world fully realizing the potential of renewable and sustainable energy.

International and Regional Framework

This topic was first addressed at the United Nations Conference on Environment and Development (UNCED), held in Rio de Janeiro, Brazil, in 1992.⁸³ Its outcome document, *Agenda 21* (1992), set the basis for action on energy and called for an “environmentally sound use of new and renewable sources of energy.”⁸⁴ As another result of the UNCED, in the *United Nations Framework Convention on Climate Change* (UNFCCC) (1992), Member States recognized the relevance of promoting energy efficiency.⁸⁵ The 1997 *Kyoto Protocol to the United Nations Framework Convention on Climate Change* (Kyoto Protocol) was the most important outcome of the annual Conference of Parties to the UNFCCC (COP) and established programs like the Clean Development Mechanism (CDM), a method of sustainably reducing greenhouse gases that has resulted in private investments in renewable energy.⁸⁶

Additionally, the commitments of *Agenda 21* were discussed during the United Nations Conference on Sustainable Development (Rio+20) in 2012.⁸⁷ At Rio+20, over 100 Heads of State and government officials joined together to rethink energy production, distribution, and consumption to ensure access to sustainable modern energy services for all.⁸⁸ Following Rio +20, GA resolution 66/288, *The Future We Want*, was adopted and has been a milestone achievement in internationally recognizing and reaching a consensus on the relevance of energy in reducing poverty.⁸⁹ Rio+20 further affirmed the importance of implementing previous international commitments relevant to energy issues, including the outcome document of the Millennium Summit, the *Millennium Declaration* (2000).⁹⁰

The 2000 Millennium Summit was one of the major international meetings in the lead-up to a global development agenda and resulted in the development of the eight MDGs to be achieved by 2015.⁹¹ Although energy access was not specifically mentioned as one of the MDGs, the topic became integrated across a number of goals, and has been

⁷⁶ World Commission on Environment and Development, *Our Common Future: From One Earth to One World*, 1987; Klaus & Rübhelke, *Sustainable Energy*, 2010.

⁷⁷ REN21, *Renewables 2015: Global Status Report*, 2015, pp. 27-28.

⁷⁸ Vagliasindi, *Key Drivers of PPPs in Electricity Generation in Developing Countries: Cross-Country Evidence of Switching between PPP Investment in Fossil Fuel and Renewable-Based Generation*, 2012, pp. 6 -13.

⁷⁹ IRENA, *Rethinking Energy: Towards a New Power System*, 2014, pp. 17-19.

⁸⁰ UNEP & Bloomberg Energy Finance, *Global Trends in Sustainable Energy Investment*, 2011, p. 25.

⁸¹ UNEP et al, *Global Trends in Sustainable Energy Investment*, 2009, p. 11.

⁸² UNEP & Bloomberg Energy Finance, *Global Trends in Sustainable Energy Investment*, 2011, p. 14.

⁸³ UNCED, *Agenda 21*, 1992.

⁸⁴ *Ibid.*

⁸⁵ *United Nations Framework Convention on Climate Change*, 1992, p. 6.

⁸⁶ *Kyoto Protocol to the United Nations Framework Convention on Climate Change*, 1997; Clean Development Mechanism, *What is the CDM*, 2015; Vagliasindi, *Key Drivers of PPPs in Electricity Generation in Developing Countries: Cross-Country Evidence of Switching between PPP Investment in Fossil Fuel and Renewable-Based Generation*, 2012.

⁸⁷ UN Sustainable Development, *Rio+20: United Nations Conference on Sustainable Development*.

⁸⁸ UN General Assembly, *The Future We Want (A/RES/66/288)*, 2012.

⁸⁹ *Ibid.*

⁹⁰ *Ibid.*, pp. 3-10.

⁹¹ UN General Assembly, *United Nations Millennium Declaration (A/RES/55/2)*, 2000.

widely addressed in key meetings including the World Summit (2005) and the High-level Plenary Meeting of the General Assembly on the Millennium Development Goals (2010).⁹² The crucial role of energy access has been addressed by the Open Working Group on Sustainable Development Goals (OWG), which formed at the Rio+20 Conference following the adoption of GA decision 67/555 in 2013.⁹³ The United Nations Summit on Sustainable Development 2015, which took place in September 2015 in New York, gained the attention of over 200 Heads of State and government officials and addressed all three dimensions of sustainable development: environmental, economic, and social sustainability.⁹⁴ The *2030 Agenda for Sustainable Development* specifically addressed energy in SDG 7 “to ensure access to affordable, reliable, sustainable, and modern energy for all.”⁹⁵ Although the SDGs do not include a specific target for renewable energy, calling on Member States only to “increase substantially the share of renewable energy in the global energy mix,” the inclusion of a universal energy access objective represented a milestone in the path to sustainable development.⁹⁶ The forthcoming United Nations Climate Change Conference (COP21), which will be held in Paris at the end of 2015, will analyze the progress on action against climate change, and energy will be at the center of discussion for future commitments.⁹⁷

Regional frameworks are also important tools in promoting projects customized for specific needs and areas in the world. The League of Arab States’ Pan-Arab Renewable Energy Strategy created plans of action tailored to the consistent renewable energy potential in Arab regions.⁹⁸ Similarly in Africa, the New Partnership for Africa’s Development (NEPAD) was initiated in 2001 and seeks to create a common shared strategy for poverty eradication through increased energy access.⁹⁹ Recently, NEPAD launched the Renewable Energy Programme and the Energy Efficiency Programme, both aimed at enhancing the action of the Programme for Infrastructure Development in Africa, which includes energy access among its main objectives.¹⁰⁰ More recently, and following the 2014 UN Climate Summit, the Small Island Developing States (SIDS) Lighthouse Initiative and the Africa Clean Energy Corridor were announced.¹⁰¹ Both initiatives aim to foster the effectiveness of international policies on clean energy production and consumption.¹⁰² The decision to emphasize clean energy in these two particular regions comes from the devastating effects of climate change in these areas of the world, which exacerbate the consequences of energy poverty.¹⁰³ To demonstrate that threat, the Intergovernmental Panel on Climate Change’s (IPCC) Fifth Assessment Report notes that extreme weather events caused by climate change are able to push people from temporary poverty into chronic poverty, and it is therefore crucial to mitigate climate change in vulnerable least developed countries (LDCs) and SIDS.¹⁰⁴

Role of the International System

The Second Committee has been and continues to remain a leading actor in emphasizing the importance of sustainable energy. The body prepared documents for Rio+20, and the Rio+20 outcome document, *The Future We Want*, was the focus of the work of the Committee in its 67th session.¹⁰⁵ In its recent session, the Second Committee adopted more than 20 draft resolutions on sustainable development and considered the report *Sustainable Development: Promotion of New and Renewable Sources of Energy*, which encourages Member States to use sustainable energy resources.¹⁰⁶

⁹² UN General Assembly, *2005 World Summit Outcome (A/RES/60/1)*, 2005, p. 13; UN High-level Plenary Meeting on the Millennium Development Goals, *Compilation of Partnership Events and Action Commitments*, 2010, p. 45.

⁹³ UN Sustainable Development, *Open Working Group on Sustainable Development Goals*.

⁹⁴ UN Summit on Sustainable Development 2015, *Informal Summary*, 2015.

⁹⁵ UN General Assembly, *Transforming Our World: The 2030 Agenda for Sustainable Development (A/RES/70/1)*, 2015.

⁹⁶ *Ibid.*

⁹⁷ IEA, *World Energy Outlook Special Report 2015: Energy and Climate Change*, 2015.

⁹⁸ IRENA et al, *Pan-Arab Renewable Energy Strategy 2030: Roadmap of Actions for Implementation*, 2013.

⁹⁹ NEPAD, *Energy*; Programme for Infrastructure Development in Africa, *Sector Specific Terms of Reference for Energy Sector*.

¹⁰⁰ *Ibid.*

¹⁰¹ UN Climate Summit, *Small Island Developing States Lighthouse Initiative*, 2014; UN Climate Summit, *Africa Clean Energy Corridor*, 2014.

¹⁰² *Ibid.*

¹⁰³ UNDP, *Discussion Paper: Integrated Sustainable Rural Development: Renewable Energy Electrification and Rural Productivity Zones*, 2014, p. 3.

¹⁰⁴ IPCC, *Climate Change 2014, Synthesis Report*, 2014, p. 53.

¹⁰⁵ UN DESA, *The UN General Assembly’s Second Committee: economic and financial issue*, 2013.

¹⁰⁶ UN General Assembly Second Committee, *List of Draft Proposals*, 2014.

International and regional financial institutions have also supported the work of the Second Committee by contributing to the debate on energy access. In 2014, the International Monetary Fund (IMF) conducted a study on the effects of energy subsidies, highlighting that “energy subsidies discourage needed investments in energy efficiency, renewables, and energy infrastructure, and increase the vulnerability of countries to volatile international energy prices.”¹⁰⁷ Recognizing the lack of this investment, the World Bank (WB) supports clean energy production and consumption and no longer funds coal projects.¹⁰⁸ The WB also promotes Green Bonds, which are “asset-backed corporate bonds issued to refinance operating renewable energy infrastructure, such as a wind farms and their grid connections, freeing the developer’s capital for the next project.”¹⁰⁹ Recently, the WB and major regional and international banks created the Green Bond Principles, a common set of principles to regulate the market for Green Bonds.¹¹⁰ As of June 2015, the WB has issued 100 Green Bonds, to support the transition to “low-carbon and climate resilient growth.”¹¹¹ The economic and social impacts of these projects have been beneficial through projects such as the Second Rural Electrification project, which provides electricity to 42,500 rural households and benefits 174,000 people.¹¹² In 2014, \$36.6 billion Green Bonds were issued, with the European Investment Bank leading the group of issuers.¹¹³ These actions have been sustained by numerous initiatives promoted by non-governmental organizations (NGOs), civil society, and private institutions including the Renewable Energy and Energy Efficiency Partnership (REEEP), a NGO that established a multilateral network of developed and developing countries and that stimulates clean and renewable energy markets.¹¹⁴

The establishment of UN-Energy was one of the first initiatives by the international system on access to renewable energy. UN-Energy was created following the 2002 World Summit on Sustainable Development in Johannesburg, South Africa, to promote discussions on energy amongst Member States, UN bodies, and other partners.¹¹⁵ Outside the UN System, the IEA and the International Renewable Energy Agency (IRENA) promote sound energy policies, analyze global energy trends, and pressure international actors to adopt clean energy strategies.¹¹⁶

Driven by Secretary-General Ban Ki-moon’s initiative, in 2011 the GA adopted resolution 65/151 designating 2012 as the International Year of Sustainable Energy for All.¹¹⁷ The dedication and observance of the International Year of Sustainable Energy for All led to global awareness of the importance of energy for sustainable development and set the basis for long-lasting cooperation amongst relevant Member States, international organizations of the UN system, civil society, and other actors.¹¹⁸ Along with this, the Secretary-General announced the launch of the Sustainable Energy for All (SE4ALL) initiative in 2011, and two years later resolution 67/215 declared 2014-2024 as the United Nations Decade of Sustainable Energy for All.¹¹⁹ SE4ALL seeks to ensure universal access to sustainable energy by 2030 through the achievement of three objectives: “Ensuring universal access to modern energy services,” “Doubling the global rate of improvement in energy efficiency,” and “Doubling the share of renewable energy in the global energy mix.”¹²⁰ The WB has estimated that \$600 billion to \$800 billion in investments are required each year to fulfill these targets.¹²¹ To facilitate this flow of financial resources, the Secretary-General worked closely with the President of the World Bank Group to establish a group of international banks and institutional and private investors to identify innovative financial instruments that could facilitate meeting

¹⁰⁷ IMF, *How Large Are Global Energy Subsidies?* 2015, p. 4.

¹⁰⁸ Goldenberg, *World Bank rejects energy industry notion that coal can cure poverty*, 2015.

¹⁰⁹ IRENA, *Rethinking Energy: Towards a New Power System*, 2014, p. 54; Goldenberg, *World Bank rejects energy industry notion that coal can cure poverty*, 2015.

¹¹⁰ The World Bank et al., *Green Bond Principles 2014: Voluntary Process Guidelines for Issuing Green Bonds*, 2014.

¹¹¹ The World Bank, *Green Bond: Impact Report*, 2015, p. 3.

¹¹² *Ibid.*, p. 10.

¹¹³ Climate Bonds, *Biggest Year Ever for Green Bonds: \$36.6 Billion of Green Bonds Issued - More Than Triple 2013 Issuance*, 2015, p. 2.

¹¹⁴ REEEP, *A New Normal for Green Growth: Annual Report*, 2014.

¹¹⁵ UN-Energy, *About UN-Energy*.

¹¹⁶ IEA, *Our Mission*; IRENA, *About IRENA*; IRENA, *Introduction to the International Renewable Energy Agency*, 2013.

¹¹⁷ UN General Assembly, *2012 the International Year of Sustainable Energy for All (A/RES/65/151)*, 2011.

¹¹⁸ UN General Assembly, *Promotion of new and renewable sources of energy (A/RES/67/215)*, 2013, p. 4.

¹¹⁹ UN General Assembly, *Promotion of new and renewable sources of energy (A/RES/67/215)*, 2013.

¹²⁰ UN, The Secretary-General’s High-Level Group on Sustainable Energy for All, *Sustainable Energy for All: A Global Action Agenda*, 2012, p. 2.

¹²¹ UN General Assembly, *United Nations Decade of Sustainable Energy for All: Report of the Secretary-General (A/69/395)*, 2014, p. 7.

those goals.¹²² In 2014, SE4ALL mobilized an additional \$120 billion per year through partnerships between private and institutional investors and regional banks.¹²³ The Second SE4ALL Forum in 2015 addressed the theme of Financing Sustainable Energy for All and recognized both the successes of financial instruments such as feed-in tariffs and Green Bonds and the need to attract private investment in developing countries.¹²⁴ Overall, the launch and continued work of SE4ALL raised significant attention to energy issues, and many countries initiated national or regional programs to meet the objectives including the European Union Sustainable Energy for All Summit (2012).¹²⁵

As recognized by SE4ALL, civil society organizations (CSOs) play active roles in promoting sustainable energy initiatives, identifying best practices, and helping to build capacity at all levels.¹²⁶ In line with these commitments, in 2012 the Secretary-General launched the Sustainable Development Solutions Network (SDSN), an independent organization involving civil society, the private sector, and research centers.¹²⁷ The SDSN closely works with many UN bodies, and supports their actions by “promoting integrated approaches to the interconnected economic, social, and environmental challenges confronting the world.”¹²⁸ Another SE4ALL partner, the International Network on Gender and Sustainable Energy (ENERGIA), focuses its activity on women’s economic empowerment and gender equality.¹²⁹ From the private sector, many multinational corporations and national banks acknowledged the importance of ensuring universal energy access including Bank of America, Bloomberg, and Renault who have made concrete commitments to promote sustainability.¹³⁰

Promoting Access to Renewable and Sustainable Energy in Developing Countries

Across the globe, there is rising investment in renewable energy.¹³¹ Despite different stages of development across the world, both developing and developed countries are increasingly turning to renewable and sustainable sources of energy.¹³² Over the years, competition for energy resources has increased, prices of fossil fuels have significantly risen, and political instability in certain areas of the world have forced Member States to rethink energy security.¹³³ According to *Renewables 2015 Global Status Report*, “the top 10 national investors [in sustainable energy] consisted of four developing countries (all of which are BRICS countries) and six developed countries.”¹³⁴ This section will provide a concise analysis on the current energy access situation and will explore perspectives of cooperation amongst Member States.

Ensuring Universal Access to Modern Energy Services

Expanding access to energy in developing countries, particularly in rural areas, is one of the main development challenges of the future. According to the IEA’s report *World Energy Outlook 2014*, 1.3 billion people in the world have no access to electricity and 2.6 billion people still use wood, charcoal, or other solid fuels as sources of energy for cooking and heating.¹³⁵ The IEA reported that 95% of these people live in sub-Saharan Africa or developing Asia, and 84% live in rural areas.¹³⁶ This is an example of “energy poverty.”¹³⁷ Energy poverty is defined by the United Nations Development Programme (UNDP) as “the inability to cook with modern cooking fuels and the lack of a bare minimum of electric lighting to read or for other household and productive activities at sunset.”¹³⁸ Energy

¹²² UN General Assembly, *United Nations Decade of Sustainable Energy for All: Report of the Secretary-General (A/69/395)*, 2014, p. 7.

¹²³ Sustainable Energy for All Global Facilitation Team, *Sustainable Energy for All: 2014 Annual Report*, 2014, pp. 1-2.

¹²⁴ IISD & SE4ALL, *SE4ALL Bulletin, A Summary Report of the Second Sustainable Energy for All Forum*, 2015, p. 3.

¹²⁵ SE4ALL, *Country Level Actions*, 2015.

¹²⁶ The Secretary-General’s High-Level Group on Sustainable Energy for All, *Sustainable Energy for All: A Global Action Agenda*, 2012, p. 12.

¹²⁷ Sustainable Development Solutions Network, *Vision and Organization*.

¹²⁸ *Ibid.*

¹²⁹ Sustainable Energy for All Global Facilitation Team, *Sustainable Energy for All: 2014 Annual Report*, 2014, p. 15.

¹³⁰ Sustainable Energy for All Global Facilitation Team, *Sustainable Energy for All: 2014 Annual Report*, 2014.

¹³¹ REN21, *Renewables 2015: Global Status Report*, 2015, p. 80.

¹³² *Ibid.*, pp. 81-82.

¹³³ Vagliasindi, *Revisiting Public- Private Partnerships in the Power Sector*, 2013.

¹³⁴ REN21, *Renewables 2015: Global Status Report*, 2015, p. 81.

¹³⁵ IEA, *Modern Energy For All*.

¹³⁶ IEA, *Energy Poverty*.

¹³⁷ IEA, *Energy Poverty: How to Make Modern Energy Access Universal?*, 2010, p. 7.

¹³⁸ Modi et al, *Energy and the Millennium Development Goals*, 2005, p. 9.

poverty has several consequences, all of which have reduced the achievements of the MDG targets.¹³⁹ Although wood and, more broadly, biofuels are low-cost and renewable sources of energy, the use of these biomasses has devastating effects on human beings.¹⁴⁰ As identified by the World Health Organization (WHO), each year in developing countries the smoke of biomass fuels used for indoor cooking causes the premature death of 2.5 million women and children.¹⁴¹ Almost half of the world's population relies on solid fossil fuels as sources of energy for cooking and heating.¹⁴² Resulting from this, there are widespread illnesses associated with these pollutants, including pneumonia, cancer, and other serious respiratory diseases.¹⁴³ These diseases affect the most vulnerable, especially women and children, as they are more exposed to indoor air pollution.¹⁴⁴

The international community recognizes the importance of overcoming the weaknesses of the MDGs, and it is important for these mistakes not to be repeated in the SDGs.¹⁴⁵ As stated in the IPCC Fifth Assessment Report, a “fundamental transformation of the energy supply system” is needed, and “improving the energy efficiencies of fossil power plants and/or the shift from coal to gas will not by itself be sufficient.”¹⁴⁶ Sustainable and renewable sources of energy offer benefits for health and other aspects of human well-being, including education and employment.¹⁴⁷ For example, the achievement of SDG 8 on sustainable economic growth and productive employment would be facilitated by investments in renewables, which ensure safer working environments and create new local employment opportunities.¹⁴⁸ China has the most significant experience in this field, with 2.6 million employees in the renewable energy sector.¹⁴⁹ In other Member States, such as Italy, Japan, Brazil, and Mexico, IRENA reported an increase in the gross domestic product as a positive impact of renewable energy deployment.¹⁵⁰ Many other impressive results come from developing countries, like Bangladesh, where the number of people employed in the solar industry has doubled over the past two years.¹⁵¹ Furthermore, access to clean and modern energy is fundamental in production and manufacturing processes, such as farming and running small businesses.¹⁵² In India, the Self Employed Women's Association (SEWA) launched the Hariyali Project, an initiative that empowers poor men and women, reduces gender inequalities, and promotes the deployment of solar-powered water pumps.¹⁵³ Projects such as this demonstrate how international efforts to promote renewable and sustainable energy can likewise reduce poverty and increase human development.

Promoting North-South and South-South Cooperation

SDG 7 highlights the importance of North-South cooperation to achieve universal energy access.¹⁵⁴ This goal has also addressed North-South cooperation on energy issues, and in particular Target A of Goal 7 seeks “by 2030, [to] enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promoting investment in energy infrastructure and clean energy technology.”¹⁵⁵ The *Renewables 2015* report highlights that the sharing of knowledge on renewable energy technologies is essential to developing countries, LDCs and SIDS in particular, to avoid the negative effects of fossil fuel-based production of energy, attract new investments, and create energy systems that will be able to face growing energy demand.¹⁵⁶

There are many examples of South-South cooperation that act as good models for increased international cooperation towards achieving access to renewable and sustainable energy. One example of this cooperation comes

¹³⁹ Modi, et al, *Energy and the Millennium Development Goals*, 2005.

¹⁴⁰ WHO, *Global Health Risks: Mortality and Burden of Disease Attributable to Selected Major Risks*, 2009, pp. 23-24.

¹⁴¹ *Ibid.*

¹⁴² UNDP and WHO, *The Energy Access Situation In Developing Countries*, 2009, p. 2.

¹⁴³ *Ibid.*, pp. 22-26.

¹⁴⁴ *Ibid.*, p. 27.

¹⁴⁵ Greenpeace et al, *The Right Climate For Development: Why The SDGs Must Act On Climate Change*, 2014.

¹⁴⁶ IPCC, *Climate Change 2014: Mitigation of Climate Change*, 2014, p. 516.

¹⁴⁷ REN21, *Renewables 2015: Global Status Report*, 2015, pp. 36-37.

¹⁴⁸ Greenpeace et al, *The Right Climate For Development: Why The SDGs Must Act On Climate Change*, 2014, p. 20.

¹⁴⁹ IRENA, *Rethinking Energy: Towards a New Power System*, 2014, pp. 68-69.

¹⁵⁰ *Ibid.*, p. 67.

¹⁵¹ *Ibid.*, p. 69.

¹⁵² Greenpeace et al, *The Right Climate For Development: Why The SDGs Must Act On Climate Change*, 2014, p. 20.

¹⁵³ Sustainable Energy for All Global Facilitation Team, *Sustainable Energy for All: 2014 Annual Report*, 2014, p. 33.

¹⁵⁴ UN General Assembly, *Promotion of new and renewable sources of energy (A/RES/67/215)*, 2013.

¹⁵⁵ UN General Assembly, *Transforming Our World: The 2030 Agenda for Sustainable Development (A/RES/70/1)*, 2015.

¹⁵⁶ REN21, *Renewables 2015: Global Status Report*, 2015, pp. 79-85.

from the Africa-European Union (EU) Energy Partnership (AEEP), launched in Lisbon in December 2007.¹⁵⁷ In 2014, the Member States of this partnership adopted the Roadmap 2014-2017, a plan of action that focuses action on sustainable and inclusive development and growth and continental policy integration.¹⁵⁸ The most relevant initiative of this plan is the Africa-EU Renewable Energy Cooperation Programme (RECP) that aims to develop a stable political and legal framework through policy advisory services of the EU Energy Initiative Partnership Dialogue Facility (EUEI PDF).¹⁵⁹ Furthermore, the RECP will address Africa's need to build its own capacity by training future generations of energy professionals and specialists.¹⁶⁰ Another recent and relevant example of North-South and South-South cooperation on this topic is the Renewable Energy Latin America and Caribbean Conference and Exhibition (RELACCx), organized by the American Council on Renewable Energy (ACORE) and the Latin American and Caribbean Council on Renewable Energy (LAC-Core).¹⁶¹ This conference gathered investors and companies to address the political and financial background to renewable energy markets.¹⁶²

In addition to these attempts towards global cooperation, developing countries must find ways to enhance their attractiveness for private investors, since these investors are still the main actors in the renewable energies markets.¹⁶³ Recent studies demonstrate that factors like corruption and political competition, such as governmental instability, are key impediments to the spread of renewable energy technologies.¹⁶⁴

Conclusion

As highlighted in the newly adopted SDGs, ensuring access to modern energy services is a crucial, universally acknowledged priority in the post-2015 development agenda. Energy poverty has the ability to affect every segment of human life, reduce development, and undermine the achievement of human rights. The growing deployment of renewable and sustainable sources of energy is the result of the newly achieved global awareness on the topic. Initiatives like Sustainable Energy for All, combined with other international and regional programs, foster lively debate on sustainable development. With the different stages of development experienced by developing and developed countries, the growth of renewable energy markets remains concentrated in developed countries and developing countries that are experiencing substantial economic growth. It is important for the international community, private investors, and CSOs to collaborate on their efforts to arrange a cost-effective, coordinated global energy strategy to achieve progress on sustainable energy.

Further Research

Delegates should consider the Second Committee's unique role on this topic, in terms of providing a global forum of universal membership to address many of the macro issues associated with this topic. For example, delegates should ask: What are the main barriers to the creation of sustainable energy systems? What are the costs of renewable energy plants and grids and how can they be overcome? How can private investors be incentivized to fund these projects? How do the costs differ for different sources of energy? Delegates should also consider the extent to which sustainable sources of energy compliment the poverty eradication process. Furthermore, delegates should ask, what is the cost borne by developing countries for renouncing to fossil fuels and how can the Second Committee contribute to the deployment of these sources in developing countries to better address the North-South divide? Additionally, for the first time, the SDGs, included energy access amongst the main priorities of the international community. Given this, how can SDG 7 be translated into action? How can international and regional financial institutions play their role in this? How can we improve accountability and implementation to ensure the new development framework is effectively implemented?

¹⁵⁷ Africa-EU Partnership, *About us*.

¹⁵⁸ Africa-EU Partnership, *Partnership Highlights*.

¹⁵⁹ RECP, *RECP Projects*.

¹⁶⁰ *Ibid.*

¹⁶¹ RELACCx, *About*.

¹⁶² *Ibid.*

Annotated Bibliography

Greenpeace, et al. (2014). *The Right Climate For Development: Why The SDGs Must Act On Climate Change*. Retrieved 12 August 2015 from: <http://insights.careinternational.org.uk/media/k2/attachments/SDGs-climate-change-Sept-2014.pdf>

This report highlights the effects of climate change on the achievement of MDGs and SDGs. It outlines the benefits of an energy system based on renewable and sustainable energy across the globe. This paper is particularly useful to delegates for its exhaustive analysis of the current global efforts and shortcomings in the path toward sustainable development.

International Energy Agency & The World Bank. (2015). *Sustainable Energy for All 2015: Progress Toward Sustainable Energy*. World Bank. Retrieved 24 August 2015 from: <http://www.worldbank.org/content/dam/Worldbank/Event/Energy%20and%20Extractives/Progress%20Toward%20Sustainable%20Energy%20-%20Global%20Tracking%20Framework%202015%20-%20Key%20Findings.pdf>

This report provides an overview of how the world has been moving towards objectives identified by the Secretary-General and examines links between energy and food, water, health, and gender. As the latest document analyzing the progress of the Sustainable Energy for All initiative, this document is particularly useful. Not only does it highlight the fundamental relevance of universal energy access, but delegates can also identify strengths and weaknesses in processes that can be applied to achieving this topic.

International Renewable Energy Agency. (2014). *Rethinking Energy: Towards a New Power System*. Retrieved 19 August 2015 from: http://www.irena.org/rethinking/Rethinking_FullReport_web.pdf

This source is a report that provides a breakdown of costs for financing renewable energy projects. It also highlights the considerable benefits of renewable energy by focusing on health and employment using several case studies related to this topic. Delegates should use this source to learn from valuable experiences and mistakes from different Member States.

Meier, et al. (2015). *The Design and Sustainability of Renewable Energy Incentives: An Economic Analysis. Directions in Development*. World Bank Group. Retrieved 21 July 2015 from: <https://openknowledge.worldbank.org/bitstream/handle/10986/20524/922240PUB0978100B0x385358B00PUBLIC0.pdf?sequence=1>

This report provides a global overview of the effectiveness and efficiency of incentive mechanisms for the promotion of renewables in developing countries. The source analyzes the most successful strategies in attracting private investment in renewable energy markets through country case studies and outlines financial incentives on current renewable energy support mechanisms and schemes. This is a useful source for delegates to analyze the most effective financing mechanisms as a means of promoting new renewable energy projects.

Renewable Energy Policy Network for the 21st Century. (2015). *Renewables 2015, Global Status Report*. Retrieved 21 July 2015 from: <http://www.ren21.net/status-of-renewables/global-status-report/>

This annual report offers a comprehensive analysis on the progress in renewable energy markets. This report highlights and confirms the increasing importance of renewable energy in global energy supplies and offers a brief overview of investment flows in the energy sector. This source is important for delegates to consider methods of expanding investment in renewable energy and in encouraging growth and investment in renewable and sustainable energy.

United Nations Development Programme & World Health Organization. (2009). *The Energy Access Situation In Developing Countries* [Report]. Retrieved 21 July 2015 from: http://content.undp.org/go/cms-service/stream/asset/?asset_id=2205620

This UN report provides a useful insight on some of the consequences of energy poverty. Delegates can find this useful in considering the negative impacts of limited energy access. When considering the importance of eradicating poverty and promoting sustainable and renewable energy sources, delegates can consider these elements to produce stronger solutions, which can be beneficial in relating the two goals.

United Nations, General Assembly, Sixty-seventh session. (2012). *Promotion of new and renewable sources of energy: Report of the Secretary-General (A/67/318)*. Retrieved 21 July 2015 from: <http://undocs.org/A/67/318>
This report is one of many on the promotion of sustainable energy. In this source, the Secretary-General highlights the importance of access to adequate, affordable, and reliable energy services in eradicating poverty and activating a sustainable development process. This is extremely important for delegates to grasp an understanding of the Secretary-General's guidelines on the best methods of promoting access to sustainable energy.

United Nations, General Assembly, Sixty-ninth session. (2014). *United Nations Decade of Sustainable Energy for All: Report of the Secretary-General (A/69/395)*. Retrieved 24 August 2015 from: <http://undocs.org/A/69/395>
This 2014 report is one of the most complete UN resources on sustainable energy. Addressing the progress achieved since the launch of the SE4ALL initiative in 2011, the Secretary-General provides a broad analysis of the energy access situation. Furthermore, the report dedicates a chapter to consider energy issues in the context of the post-2015 development agenda. This is essential source for delegates to have a comprehensive understanding of current UN activities and understand the links between UN main bodies and specialized agencies.

United Nations, The Secretary-General's High-Level Group on Sustainable Energy for All. (2012). *Sustainable Energy for All: A Global Action Agenda* [Report]. Retrieved 23 July 2015 from: <http://www.un.org/wcm/webdav/site/sustainableenergyforall/shared/Documents/SEFA-Action%20Agenda-Final.pdf>
The High-Level Group on Sustainable Energy for All is a UN panel of experts who operate jointly with the Secretary-General. This action plan focuses on three objectives to be achieved by 2030: (1) ensuring universal access to modern energy services; (2) doubling the global rate of improvement in energy efficiency; and (3) doubling the share of renewable energy in the global energy mix. This is useful for delegates to consider different methods of sustainable energy and improving universal access to energy.

United Nations System Chief Executives Board for Coordination. (2014). *How the United Nations System Supports Ambitious Action on Climate Change* [Report]. Retrieved 24 August 2015 from: http://www.ifad.org/climate/resources/UN_Ambitious_Action_Climate_Change.pdf
This publication offers a comprehensive overview on UN action on climate change by highlighting the commitment of each organization involved in this topic and communicating the deep interconnection amongst their mandates and initiatives. The document dedicates a specific chapter to the importance of the promotion of sustainable energy in order to ensure universal energy access and recalls the most recent and relevant programs launched by the UN. Through reading this source delegates can fully understand the joint efforts of UN organizations and specialized agencies, which can be useful when considering efforts to resolve the topic.

Bibliography

Africa-European Union Partnership. (n.d.). *About us* [Website]. Retrieved 21 September 2015 from: <http://www.africa-eu-partnership.org/about-us>

Africa-European Union Partnership. (n.d.). *Partnership Highlights* [Website]. Retrieved 21 September 2015 from: <http://www.africa-eu-partnership.org/en>

Clean Development Mechanism. (2015). *What is the CDM* [Website]. Retrieved 20 September 2015 from: <http://cdm.unfccc.int/about/index.html>

Climate Bonds. (2015, January 14). *Biggest Year Ever for Green Bonds: \$36.6 Billion of Green Bonds Issued - More Than Triple 2013 Issuance*. Retrieved 24 August 2015 from: [http://www.climatebonds.net/files/files/Media%20release%20-%202014%20green%20bonds%20figures\(1\).pdf](http://www.climatebonds.net/files/files/Media%20release%20-%202014%20green%20bonds%20figures(1).pdf)

Dauvergne, P. (2005). *Handbook of Global Environmental Politics*. Edward Elgar Publishing. Retrieved 9 November 2015 from:

https://books.google.com/books?id=EwV5p5b9WXIC&printsec=frontcover&source=gbs_ge_summary_r&cad=0-v=onepage&q&f=false

Fay, M., et al. (2015). *Decarbonizing Development: Three Steps to a Zero Carbon Future*. The World Bank. Retrieved 17 October 2015 from: <http://www.worldbank.org/content/dam/Worldbank/document/Climate/dd/decarbonizing-development-report.pdf>

Goldenberg, S. (2015). World Bank rejects energy industry notion that coal can cure poverty. *The Guardian*. Retrieved 24 August 2015 from: <http://www.theguardian.com/environment/2015/jul/29/world-bank-coal-cure-poverty-rejects>

Greenpeace. (2014). *The Solution to The Climate Crisis: a Just Transition to 100% Renewable Energy For All by 2050*. Retrieved 19 September 2015 from: <http://www.greenpeace.org/international/Global/international/briefings/climate/COP20/A-just-transition-to-100-renewable-energy.pdf>

Greenpeace et al. (2014). *The Right Climate For Development: Why The SDGs Must Act On Climate Change*. Retrieved 12 August 2015 from: <http://insights.careinternational.org.uk/media/k2/attachments/SDGs-climate-change-Sept-2014.pdf>

Intergovernmental Panel on Climate Change. (2014). *Climate Change 2014: Mitigation of Climate Change* [Report]. Retrieved 24 August 2015 from: http://www.ipcc.ch/pdf/assessment-report/ar5/wg3/ipcc_wg3_ar5_full.pdf

Intergovernmental Panel on Climate Change. (2014). *Climate Change 2014, Synthesis Report*. Retrieved 22 August 2015 from: https://www.ipcc.ch/pdf/assessment-report/ar5/syr/AR5_SYR_FINAL_All_Topics.pdf

International Energy Agency. (n.d.). *Energy Poverty* [Website]. Retrieved 16 August 2015 from: <http://www.iea.org/topics/energypoverty/>

International Energy Agency. (n.d.). *FAQs: Renewable Energy* [Website]. Retrieved 17 August 2015 from: <http://www.iea.org/aboutus/faqs/renewableenergy/>

International Energy Agency. (n.d.). *Modern Energy For All* [Website]. Retrieved 21 September 2015 from: <http://www.worldenergyoutlook.org/resources/energydevelopment/>

International Energy Agency. (n.d.). *Our Mission* [Website]. Retrieved 24 August 2015 from: <http://www.iea.org/aboutus/>

International Energy Agency. (2010). *Energy Poverty: How to Make Modern Energy Access Universal?* OECD/IEA. Retrieved 16 August 2015 from: http://www.iea.org/publications/freepublications/publication/weo2010_poverty.pdf

International Energy Agency. (2011). *World Energy Outlook: Executive Summary*. OECD/IEA. Retrieved 16 August 2015 from: http://www.worldenergyoutlook.org/media/weowebiste/2011/executive_summary.pdf

International Energy Agency. (2015). *World Energy Outlook Special Report 2015: Energy and Climate Change*. OECD/IEA. Retrieved 23 August 2015 from: <http://www.iea.org/publications/freepublications/publication/WEO2015SpecialReportonEnergyandClimateChange.pdf>

International Energy Agency & The World Bank. (2015). *Sustainable Energy for All 2015: Progress Toward Sustainable Energy*. The World Bank. Retrieved 24 August 2015 from: <http://www.worldbank.org/content/dam/Worldbank/Event/Energy%20and%20Extractives/Progress%20Toward%20Sustainable%20Energy%20-%20Global%20Tracking%20Framework%202015%20-%20Key%20Findings.pdf>

International Institute for Sustainable Development & Sustainable Energy For All. (2015). *SE4ALL Bulletin, A Summary Report of the Second Sustainable Energy for All Forum*. Retrieved 20 September 2015 from: <http://www.iisd.ca/download/pdf/sd/crsvol181num11e.pdf>

International Monetary Fund. (2015). *How Large Are Global Energy Subsidies?* Retrieved 23 August 2015 from: <http://www.imf.org/external/pubs/ft/wp/2015/wp15105.pdf>

International Renewable Energy Agency. (n.d.). *About IRENA*. Retrieved 23 August 2015 from: <https://www.irena.org/DocumentDownloads/Procurement/Annex%20I,%20About%20IRENA.pdf>

International Renewable Energy Agency. (2013). *Introduction to the International Renewable Energy Agency*. Retrieved 23 August 2015 from: http://www.irena.org/DocumentDownloads/Publications/IRENA_Brochure2013.pdf

International Renewable Energy Agency et al. (2013). *Pan-Arab Renewable Energy Strategy 2030: Roadmap of Actions for Implementation*. Retrieved 20 September 2015 from: http://www.irena.org/DocumentDownloads/Publications/IRENA_Pan-Arab_Strategy_June%202014.pdf

International Renewable Energy Agency. (2014). *Rethinking Energy: Towards a New Power System*. Retrieved 19 August 2015 from: http://www.irena.org/rethinking/Rethinking_FullReport_web.pdf

Kempener, R., et al. (2013). *Smart Grids and Renewables: A Guide for Effective Deployment*. International Renewable Energy Agency. Retrieved 21 July 2015 from: https://www.irena.org/DocumentDownloads/Publications/smart_grids.pdf

Klaus, D. & D. Rübelke, *Sustainable Energy*, Routledge, 2010. Retrieved 18 September 2015 from: <https://books.google.it/books?id=Kf7GBQAAQBAJ&printsec=frontcover&hl=it#v=onepage&q&f=false>

Kyoto Protocol to the United Nations Framework Convention on Climate Change. (1997). Retrieved 23 August 2015 from: <http://unfccc.int/resource/docs/convkp/kpeng.pdf>

Meier, P., et al. (2015). *The Design and Sustainability of Renewable Energy Incentives: An Economic Analysis. Directions in Development*. World Bank Group. Retrieved 21 July 2015 from: <https://openknowledge.worldbank.org/bitstream/handle/10986/20524/922240PUB0978100B0x385358B00PUBLIC0.pdf?sequence=1>

Modi, V., et al. (2006). *Energy and the Millennium Development Goals*. Energy Sector Management Assistance Programme, United Nations Development Programme, UN Millennium Project, and The World Bank. Retrieved 19 September 2015 from: http://www.unmillenniumproject.org/documents/MP_Energy_Low_Res.pdf

New Partnership for Africa's Development. (n.d.). *Energy* [Website]. Retrieved 19 September 2015 from: <http://www.nepad.org/climatechangeandsustainabledevelopment/energy>

New Partnership for Africa's Development. (n.d.). *Programme for Infrastructure Development in Africa*. Retrieved 19 September 2015 from: <http://www.nepad.org/sites/default/files/PIDA%20Executive%20Summary%20-%20English.pdf>

Programme for Infrastructure Development in Africa. (n.d.). *Sector Specific Terms of Reference for Energy Sector*. Retrieved 19 September 2015 from: <http://www.afdb.org/fileadmin/uploads/afdb/Documents/Procurement/Project-related-Procurement/PIDA%20-%20Sector-specific%20Terms%20of%20Reference%20for%20Energy%20Sector.pdf>

Renewable Energy Cooperation Programme. (n.d.). *RECP Projects* [Website]. Retrieved 20 September 2015 from: <http://www.africa-eu-renewables.org/?lang=eng&page=116&tabid=1>



Renewable Energy and Energy Efficiency Partnership. (2014). *A New Normal for Green Growth: Annual Report*. Retrieved 24 August 2015 from: http://www.reeep.org/sites/default/files/REEEP_Annual_Report_2015_DS.pdf

Renewable Energy Latin America & Caribbean Conference & Exhibition. (n.d.). *About* [Website]. Retrieved 21 September 2015 from: <http://www.reeep.org/events/relaccx-2014>

Renewable Energy Policy Network for the 21st Century. (2015). *Renewables 2015: Global Status Report*. Retrieved 21 July 2015 from: <http://www.ren21.net/status-of-renewables/global-status-report/>

Sustainable Development Solutions Network. (n.d.). *Vision and Organization* [Website]. Retrieved 20 September 2015 from: <http://unsdsn.org/about-us/vision-and-organization/>

Sustainable Energy for All. (2015). *Country Level Actions* [Website]. Retrieved 11 November 2015 from: <http://www.se4all.org/flagship-programmes/country-level-actions/>

Sustainable Energy for All Global Facilitation Team. (2014). *Sustainable Energy for All: 2014 Annual Report*. SE4ALL Global Facilitation Team & IRENA. Retrieved 20 September 2015 from: http://www.se4all.org/wp-content/uploads/2015/05/SE4ALL_2014_annual_report_final.pdf

United Nations Administrative Committee on Coordination. (1998, May 20). *Statement of Commitment for Action to Eradicate Poverty (ECOSOC/5759)* [Press Release]. Retrieved 19 September 2015 from: <http://www.unesco.org/most/acc4pov.htm>

United Nations Climate Summit. (2014). *Africa Clean Energy Corridor* [Report]. Retrieved 24 August 2015 from: <http://www.un.org/climatechange/summit/wp-content/uploads/sites/2/2014/09/ENERGY-Africa-Clean-Energy-Corridor.pdf>

United Nations Climate Summit. (2014). *Small Island Developing States Lighthouse Initiative* [Report]. Retrieved 24 August 2015 from: <http://www.un.org/climatechange/summit/wp-content/uploads/sites/2/2014/09/ENERGY-SIDS-Lighthouse-Initiative.pdf>

United Nations Conference on Environment and Development. (1992). *Agenda 21*. Retrieved 23 August 2015 from: <https://sustainabledevelopment.un.org/content/documents/Agenda21.pdf>

United Nations, Department of Economic and Social Affairs, et al. (2013). *Sustainable Development in Latin America and the Caribbean: Follow-Up to the United Nations Development Agenda* [Report]. Retrieved 19 September 2015 from: https://sustainabledevelopment.un.org/content/documents/1001RIO_20-Rev2ing.pdf

United Nations, Department of Economic and Social Affairs. (2013). *The UN General Assembly's Second Committee: economic and financial issue* [Website]. Retrieved 24 August 2015 from: <http://www.un.org/en/development/desa/news/ecosoc/un-ga-second-committee.html>

United Nations, Department of Economic and Social Affairs. (2015). *The Millennium Development Goals Report 2015*. Retrieved 20 September 2015 from: <http://mdgs.un.org/unsd/mdg/Resources/Static/Products/Progress2015/English2015.pdf>

United Nations, Department of Public Information. (2014, October 7). *Eradication of Poverty Critical to Future Development Activities, Speakers Stress, as Second Committee Opens Session (GA/EF/3395)* [Press Release]. Retrieved 20 September 2015 from: <http://www.un.org/press/en/2014/gaef3395.doc.htm>

United Nations Development Programme. (2014). *Discussion Paper: Integrated Sustainable Rural Development: Renewable Energy Electrification and Rural Productivity Zones* [Report]. Retrieved 21 July 2015 from: http://www.undp.org/content/dam/undp/library/Environment%20and%20Energy/MDG%20Carbon%20Facility/140901_Integrated%20Rur%20Electrification_FINAL.pdf

- United Nations Development Programme & World Health Organization. (2009). *The Energy Access Situation In Developing Countries* [Website]. Retrieved 21 July 2015 from: http://content.undp.org/go/cms-service/stream/asset/?asset_id=2205620
- United Nations Educational, Scientific and Cultural Organization. (n.d.). *Learning to Live Together: Poverty* [Website]. Retrieved 19 September 2015 from: <http://www.unesco.org/new/en/social-and-human-sciences/themes/international-migration/glossary/poverty/>
- United Nations Environment Programme, et al. (2009). *Global Trends in Sustainable Energy Investment* [Report]. Retrieved 18 August 2015 from: http://www.unep.org/pdf/Global_trends_report_2009.pdf
- United Nations Environment Programme & Bloomberg Energy Finance. (2011). *Global Trends in Sustainable Energy Investment* [Report]. Retrieved 18 August 2015 from: http://www.unep.org/pdf/BNEF_global_trends_in_renewable_energy_investment_2011_report.pdf
- United Nations Framework Convention on Climate Change. (n.d.). *Conference of Parties* [Website]. Retrieved 23 August 2015 from: <http://unfccc.int/bodies/body/6383.php>
- United Nations Framework Convention on Climate Change*. (1992). Retrieved 22 August 2015 from: http://unfccc.int/key_documents/the_convention/items/2853.php
- United Nations, General Assembly, Fifty-fifth session. (2000). *United Nations Millennium Declaration (A/RES/55/2)*. Retrieved 22 August 2015 from: <http://www.un.org/millennium/declaration/ares552e.htm>
- United Nations, General Assembly, Sixtieth session. (2005). *2005 World Summit Outcome (A/RES/60/1)*. Retrieved 24 August 2015 from: <http://undocs.org/A/RES/60/1>
- United Nations, General Assembly, Sixty-fifth session. (2011). *International Year of Sustainable Energy for All (ARES/65/151)* [Resolution]. Adopted on the report of the Second Committee (A/65/436 and Corr.1). Retrieved 2 November 2015 from: <http://undocs.org/A/RES/65/151>
- United Nations, General Assembly, Sixty-sixth session. (2012). *The Future We Want (A/RES/66/288)* [Outcome Document]. Retrieved 20 August 2015 from: <http://undocs.org/A/RES/66/288>
- United Nations, General Assembly, Sixty-seventh session. (2012). *Promotion of New and Renewable Sources of Energy: Report of the Secretary-General (A/67/318)*. Retrieved 21 August 2015 from: <http://undocs.org/A/67/318>
- United Nations, General Assembly. (2012, December 21). *Quadrennial Comprehensive Policy Review, Implementation of Rio+20 Outcome Draw Attention as General Assembly Takes up Second Committee Reports (GA/11332)* [Meetings Coverage]. Retrieved 24 August 2015: <http://www.un.org/press/en/2012/ga11332.doc.htm>
- United Nations, General Assembly, Sixty-seventh session. (2012). *Sustainable Development: Promotion of New and Renewable Sources Of Energy: Report of the Second Committee (A/67/437/Add.9)*. Retrieved 23 August 2015 from: <http://undocs.org/A/67/437/Add.9>
- United Nations, General Assembly, Sixty-seventh session. (2013). *Open Working Group of the General Assembly on Sustainable Development Goals (A/67/L.48/Rev.1)* [Report]. Retrieved 23 August 2015 from: <http://undocs.org/A/67/L.48/Rev.1>
- United Nations, General Assembly, Sixty-seventh session. (2013). *Promotion of new and renewable sources of energy (A/RES/67/215)* [Resolution]. Adopted on the report of the Second Committee (A/67/437/Add.9). Retrieved 23 September 2015 from: <http://undocs.org/A/RES/67/215>
- United Nations, General Assembly, Sixty-eighth session. (2013). *Second United Nations Decade for the Eradication of Poverty (2008–2017) (A/RES/68/226)* [Resolution]. Retrieved 19 September 2015 from: <http://undocs.org/A/RES/68/226>



United Nations, General Assembly, Sixty-ninth session. (2014). *Promotion of New and Renewable Sources Of Energy (A/RES/69/225)* [Resolution]. Retrieved 19 September 2015 from: <http://undocs.org/A/RES/69/225>

United Nations, General Assembly, Sixty-ninth session. (2014). *United Nations Decade of Sustainable Energy for All: Report of the Secretary-General (A/69/395)*. Retrieved 24 August 2015 from: <http://undocs.org/A/69/395>

United Nations, General Assembly, Seventieth session. (2015). *Transforming Our World: The 2030 Agenda for Sustainable Development (A/RES/70/1)* [Resolution]. Retrieved 1 November 2015 from: <http://undocs.org/A/RES/70/1>

United Nations, General Assembly, Second Committee. (2014). *List of Draft Proposals* [Website]. Retrieved 21 September 2015 from: <http://www.un.org/en/ga/second/69/proposals.shtml>

United Nations, High-level Plenary Meeting on the Millennium Development Goals. (2010). *Compilation of Partnership Events and Action Commitments* [Meetings Coverage]. Retrieved 24 August 2015 from: http://www.un.org/en/mdg/summit2010/pdf/HLPM%202010_CRP_Side%20events.pdf

United Nations, The Secretary-General's High-Level Group on Sustainable Energy for All. (2012). *Sustainable Energy for All: A Global Action Agenda* [Report]. Retrieved 23 July 2015 from: <http://www.un.org/wcm/webdav/site/sustainableenergyforall/shared/Documents/SEFA-Action%20Agenda-Final.pdf>

United Nations Summit on Sustainable Development 2015. (2015). *Informal Summary* [Report]. Retrieved 2 November 2015 from: https://sustainabledevelopment.un.org/content/documents/8521Informal_Summary_-_UN_Summit_on_Sustainable_Development_2015.pdf

United Nations Sustainable Development. (n.d.). *Open Working Group on Sustainable Development Goals* [Website]. Retrieved 26 August 2015 from: <https://sustainabledevelopment.un.org/owg.html>

United Nations Sustainable Development. (n.d.). *Rio+20: United Nations Conference on Sustainable Development* [Website]. Retrieved 18 September 2015 from: <https://sustainabledevelopment.un.org/rio20>

United Nations System Chief Executives Board for Coordination. (2014). *How the United Nations System Supports Ambitious Action on Climate Change* [Report]. Retrieved 24 August 2015 from: http://www.ifad.org/climate/resources/UN_Ambitious_Action_Climate_Change.pdf

UN-Energy. (n.d.). *About UN-Energy* [Website]. Retrieved 23 August 2015 from: <http://www.un-energy.org/about/overview>

Vagliasindi, M. (2012). *Key Drivers of PPPs in Electricity Generation in Developing Countries: Cross-Country Evidence of Switching between PPP Investment in Fossil Fuel and Renewable-Based Generation*. The World Bank. Retrieved 31 July 2015 from: <https://openknowledge.worldbank.org/bitstream/handle/10986/11938/WPS6118.pdf?sequence=1>

Vagliasindi, M. (2013). *Revisiting Public- Private Partnerships in the Power Sector*. The World Bank. Retrieved 23 July from: <https://openknowledge.worldbank.org/bitstream/handle/10986/13118/761830PUB0EPI00LIC00pubdate03014013.pdf?sequence=1>

The World Bank et al. (2014). *Green Bond Principles 2014: Voluntary Process Guidelines for Issuing Green Bonds*. Retrieved 24 August 2015 from: <http://www.ceres.org/resources/reports/green-bond-principles-2014-voluntary-process-guidelines-for-issuing-green-bonds/view>

The World Bank. (2015). *Green Bond: Impact Report*. Retrieved 24 August 2015 from: <http://treasury.worldbank.org/cmd/pdf/WorldBankGreenBondImpactReport.pdf>



World Commission on Environment and Development. (1987). *Our Common Future: From One Earth to One World* [Report]. Retrieved 19 September 2015 from: <http://www.un-documents.net/our-common-future.pdf>

World Health Organization. (2009). *Global Health Risks: Mortality and Burden of Disease Attributable to Selected Major Risk* [Report]. Retrieved 15 August 2015 from: http://www.who.int/healthinfo/global_burden_disease/GlobalHealthRisks_report_full.pdf

II. Financing for Development

*"In a world in which both the global population and resource constraints are growing, development finance needs a reboot. Solutions lie in using all sources of finance - public, private, domestic and international."*¹⁶⁵

Introduction

The United Nations (UN) Secretary-General Ban Ki-moon has described 2015 as a milestone year in the international development agenda.¹⁶⁶ At the UN Sustainable Development Summit in September 2015, Member States adopted the Sustainable Development Goals (SDGs), which succeed the Millennium Development Goals (MDGs).¹⁶⁷ The implementation of the SDGs will only be possible, however, if stable financing for the various development goals can be guaranteed.¹⁶⁸ An evaluation of the MDGs showed that especially the poorest and most vulnerable people have seen only limited progress in development over the last decade, and that specific and targeted financing will be key in achieving the objectives set under the SDGs.¹⁶⁹ Other challenges concerning the implementation of the SDGs are rising inequalities in and between countries as well as lasting aftermaths of the 2008 world financial and economic crisis, which led to low global growth rates and showed that economic shocks can spread rapidly.¹⁷⁰ Measures taken by the international community to finance the SDGs must place extra emphasis on the needs of the poorest and most vulnerable.¹⁷¹

The General Assembly (GA) Second Committee plays a crucial role by discussing development issues and continually striving to finance development projects by scaling up instruments such as development aid as well as developing innovative financing mechanisms.¹⁷² To address this goal, the Second Committee established the Financing for Development (FfD) process in 1997, which comprises of international conferences, debates in the GA, and efforts within the whole UN System to increase the four major sources of FfD: public, private, domestic, and international.¹⁷³

Official development assistance (ODA) still plays the most important role in financing development since Low-income countries (LICs) receive up to 60% of their budget through ODA.¹⁷⁴ Since 2000, the total amount of ODA from developed countries increased from \$82.0 billion to \$134.7 billion in 2013.¹⁷⁵ ODA is commonly understood as all flows of funds from industrialized countries to developing countries provided by governmental entities that are concessional in character and aim towards economic development in, and improving welfare of developing countries.¹⁷⁶ Although ODA was, and still is seen as the major source of FfD, alternative sources of FfD are of utmost importance due to increasing budget constraints of donor countries and the large amount of money required to achieve the SDGs.¹⁷⁷

In addition to specific and directed finance, greater participation by developing countries within the international system is key in ensuring successful implementation of the SDGs, as well as helping states manage their financial and economic institutions.¹⁷⁸ Giving developing countries more say in international economic organizations will contribute to a more effective and credible global partnership for sustainable development.¹⁷⁹

¹⁶⁵ UN Radio, *UN Secretary-General calls for "reboot" of development finance*, 2015.

¹⁶⁶ UN DESA, *The Millennium Development Goals Report 2015*, 2015, p. 73.

¹⁶⁷ UN General Assembly, *Transforming Our World: the 2030 Agenda for Sustainable Development (A/RES/70/1)*, 2015, p. 1.

¹⁶⁸ UN Radio, *UN Secretary-General calls for "reboot" of development finance*, 2015.

¹⁶⁹ UN DESA, *The Millennium Development Goals Report 2015*, 2015, p. 8.

¹⁷⁰ Third International Conference on Financing for Development, *Addis Ababa Action Agenda*, 2015, pp. 1-4.

¹⁷¹ UN DESA, *The Millennium Development Goals Report 2015*, 2015, p. 8.

¹⁷² UN General Assembly, *Second Committee*.

¹⁷³ Third International Conference on Financing for Development, *Addis Ababa Action Agenda*, 2015.

¹⁷⁴ The World Bank Group, *Financing for Development: Post-2015*, 2013, p. 16.

¹⁷⁵ UN DESA et al., *World Economic Situation and Prospects 2015*, 2015, p. 71.

¹⁷⁶ Organization for Economic Co-operation and Development, *Official development assistance - definition and coverage*.

¹⁷⁷ The World Bank, *Financing for Development: Post-2015*, 2013, p. 2.

¹⁷⁸ UN DESA et al., *World Economic Situation and Prospects 2015*, 2015.

¹⁷⁹ *Ibid.*, p. 91.

International and Regional Framework

The first major attempt to establish a steady and reliable source of financial means for development was GA resolution 2626 (XXV) (1970), in which developed countries pledged to increase their ODA to at least 0.7% of their gross national income (GNI) at market prices.¹⁸⁰ However despite this, by 2013 the total amount of ODA equaled only 0.3% of the GNI of the developed countries and thus fell short of fulfilling the agreed commitments.¹⁸¹ Although this target is rarely met, it is regularly reinforced as a reference value, most notably in the *Monterrey Consensus* (2002).¹⁸² In the following decades, the framework was expanded to include more sources of development financing and presently comprises domestic public resources, private business, fairer terms of trade, debt sustainability, fairer governance mechanisms of the international economic organizations, and capacity-building.¹⁸³

The FfD process in the UN System can be traced back to the *Agenda for Development*, established by the GA in resolution 51/240 (1997).¹⁸⁴ Section J sets out a policy framework that encompasses specific measures aimed at different aspects of development and highlights the need for financing development measures.¹⁸⁵ Among other requests, it urges developing countries to pursue sounder fiscal and monetary policies and calls upon developed countries to increase their ODA as well as working towards alleviating the debt burdens of developing countries.¹⁸⁶

Using the momentum generated by the *Agenda for Development*, the GA decided in resolution 51/179 (1998) to initiate a high-level conference to discuss options for mobilizing FfD policies.¹⁸⁷ The first International Conference on Financing for Development took place in Monterrey, Mexico, in March 2002. The Monterrey Conference was unique in its inclusiveness, as it was attended by over 50 Heads of State, 200 ministers, representatives from the Bretton Woods organizations, including the World Bank Group (WBG), the International Monetary Fund (IMF), the World Trade Organization (WTO), as well as civil society and private business.¹⁸⁸ The list of 41 proposals in the *Monterrey Consensus* includes both general recommendations, such as the consolidation of equitable and efficient tax systems in developing countries, and more concrete measures, such as the establishment of a set of “principles for the management and resolution of financial crises, that provide for fair debt burden sharing.”¹⁸⁹ Since the implementation of these proposals must be continually evaluated and updated to remain effective, the Monterrey Conference initiated an extensive follow-up process to monitor the achievements and to further solidify the proposals.¹⁹⁰

In 2005, the GA adopted resolution 60/188 to hold the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus.¹⁹¹ The outcome document of this conference held in Doha, Qatar, in 2008, the *Doha Declaration on Financing for Development*, reaffirmed the proposals of the *Monterrey Consensus* and specified further actions towards some of the original commitments.¹⁹² Whereas the *Monterrey Consensus* called for more efficient tax systems, the Doha Declaration adds that tax systems should benefit poor people and that technical assistance and cooperation of developed countries is needed to combat tax evasion.¹⁹³ Critics note that neither the quantity nor the quality of aid has increased since the *Monterrey*

¹⁸⁰ UN General Assembly, *International Development Strategy for the Second United Nations Development Decade (A/RES/2626 (XXV))*, 1970, p. 43.

¹⁸¹ UN DESA et al., *World Economic Situation and Prospects 2015*, 2015, p. 72.

¹⁸² International Conference on Financing for Development, *Monterrey Consensus*, 2002, p. 14.

¹⁸³ Third International Conference on Financing for Development, *Addis Ababa Action Agenda*, 2015.

¹⁸⁴ UN Financing for Development Office, *Chronological History of the Financing for Development Process*.

¹⁸⁵ UN General Assembly, *Agenda for Development (A/RES/51/240)*, 1997.

¹⁸⁶ *Ibid.*, pp. 43-47.

¹⁸⁷ UN General Assembly, *Global partnership for development: high-level international intergovernmental consideration of financing for development (A/RES/52/179)*, 1998.

¹⁸⁸ UN DESA, *Monterrey Conference*.

¹⁸⁹ Latin American Economic System, *The Monterrey Consensus: analysis, proposals and follow-up*, 2002, pp. 7-18.

¹⁹⁰ *Ibid.*, p. 4.

¹⁹¹ UN General Assembly, *Follow-up to and implementation of the outcome of the International Conference on Financing for Development (A/RES/60/188)*, 2005, p. 6.

¹⁹² Lesage et al., *From Monterrey to Doha: Taxation and Financing for Development*, 2010, p. 169.

¹⁹³ UN General Assembly, *Doha Declaration on Financing for Development: outcome document of the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus (A/RES/63/239)*, 2008.

Conference and that the Doha Declaration did not close the gap between commitments and actions because it lacked clearly defined commitments or goals.¹⁹⁴

The UN Conference on the World Financial and Economic Crisis and its Impact on Development (2009) was held to mitigate the impacts of the 2008 world financial and economic crisis on development.¹⁹⁵ The outcome document included a promise from developed countries not to decrease their ODA contributions in wake of the crisis.¹⁹⁶ Additionally, it called for a reform of the international financial and economic system to take the special needs of developing countries into account.¹⁹⁷ This was to be achieved by increasing voting shares of developing countries in the governance systems of the Bretton Woods institutions so that developing countries would have a fairer and more equitable representation in decision-making.¹⁹⁸ Among other results, the voting share of developing countries in the IMF was increased by 5.3% in 2010 and industrialized countries gave up their right to appoint five members of the Executive Board of the IMF.¹⁹⁹ This reform led to the USA and the European Union holding less than half of the vote power within the organization.²⁰⁰

In 2013, the GA set out the scope of a third international conference on financing for development in its resolution 68/204, focusing on the process to finance and implement the SDGs.²⁰¹ The GA convened the conference in Addis Ababa, Ethiopia, in June 2015.²⁰² The goal of the *Addis Ababa Action Agenda* (AAAA) is to end poverty and hunger through achieving development in three dimensions: "promoting inclusive economic growth, protecting the environment, and promoting social inclusion."²⁰³

The outcomes of the financing for development conferences have had an impact on larger frameworks that lead the work of the UN. The matter of financing development was included into the MDGs, specifically in Goal 8, which aimed to "develop a global partnership for development."²⁰⁴ Target 8.D outlined the need to "deal comprehensively with the debt of developing countries" and proved successful in the achievement of economic and development objectives in many developing countries as the external debt service payments as proportion of export revenues decreased from 12% in 2000 to 3.1% in 2013.²⁰⁵ This achievement made these countries less vulnerable to economic shocks and more flexible in their development policies.²⁰⁶

Within the post-2015 framework, the SDGs will play a significant role in expanding and integrating financing for development within its targets and objectives. Goal 17 of the SDGs strives to "revitalize the global partnership for sustainable development."²⁰⁷ To achieve this, the targets of Goal 17 aim to boost the financial resources for development by strengthening domestic resource mobilization, increasing ODA, and reducing debt.²⁰⁸ The emphasis on technology transfer and capacity-building will enable developing countries to establish their own resilient economies and gain independence from external assistance.²⁰⁹ Lastly, changes in the world economic system must take into account the special needs of developing countries in order to enhance their trade and influence in international economic institutions, which greatly influence development policies.²¹⁰ These targets highlight the importance of the FfD process, not only to achieve Goal 17, but for the entire SDGs, as sustainable development

¹⁹⁴ Nunnenkamp & Thiele, *Financing for development: The gap between words and deeds since Monterrey*, 2011, p. 17.

¹⁹⁵ UN General Assembly, *Doha Declaration on Financing for Development: outcome document of the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus (A/RES/63/239)*, 2008.

¹⁹⁶ UN Conference on the World Financial and Economic Crisis and its Impact on Development, *Outcome Document*, 2009, p. 5.

¹⁹⁷ *Ibid.*

¹⁹⁸ *Ibid.*, p. 11.

¹⁹⁹ International Monetary Fund, *IMF Executive Board Approves Major Overhaul of Quotas and Governance*, 2010.

²⁰⁰ International Monetary Fund, *2010: The Year of IMF Reform*, 2010.

²⁰¹ UN General Assembly, *Follow-up to the International Conference on Financing for Development (A/RES/68/204)*, 2013, p. 9.

²⁰² UN General Assembly, *Modalities for the third International Conference on Financing for Development (A/RES/68/279)*, 2014, p. 2.

²⁰³ Third International Conference on Financing for Development, *Addis Ababa Action Agenda*, 2015, p. 1.

²⁰⁴ UN DESA, *The Millennium Development Goals Report 2015*, 2015, p. 66.

²⁰⁵ *Ibid.*

²⁰⁶ *Ibid.*

²⁰⁷ UN DPI, *Goal 17: Revitalize the global partnership for sustainable development*.

²⁰⁸ *Ibid.*

²⁰⁹ *Ibid.*

²¹⁰ *Ibid.*

will only be realized if the international community finds ways to mobilize not only additional ODA but also private resources for long-term investments in developing countries that create infrastructure, jobs, and services, and thereby reduce poverty.²¹¹

Role of the International System

Within the UN System, the Second Committee holds the key role in moderating the FfD process, and providing a forum for multilateral discussion and research on existing FfD policies and programs.²¹² The Second Committee hosts the High-Level Dialogue on FfD on a biennial basis which includes representatives of Member States, senior representatives from economic institutions, such as the WBG and the IMF, and representatives from civil society and the business sector.²¹³ The latest of these meetings occurred in 2013 and focused in its outcome document on the aftermath of the 2008 financial crisis.²¹⁴ The participants agreed to extend regulation beyond banks to the entire financial system and called for greater engagement of institutional investors such as pension funds and sovereign wealth funds in long-term financing for sustainable development.²¹⁵ Additionally, the Second Committee adopts annual resolutions on FfD in which it discusses related topics such as the impact of the financial crises and macroeconomic policy questions; the most recent resolution 69/208 (2015) focused on the preparation of the Third International Conference on Financing for Development in Addis Ababa in the same year.²¹⁶

The other primary organ involved within the FfD process is the Economic and Social Council (ECOSOC), which works towards ensuring coherence and coordination between UN bodies which take on the implementation of FfD policies and programs on the ground.²¹⁷ ECOSOC holds annual meetings with representatives of the Bretton Woods Institutions, and the UN Conference on Trade and Development (UNCTAD) to coordinate efforts to increase FfD by those organizations.²¹⁸ In the latest round of consultations in 2015, participants agreed that strengthening the capacity of developing countries to collect taxes, stimulating small and medium-sized enterprises in developing countries, and a completion of the Doha Development Round of the WTO should be the focus of these institution's efforts.²¹⁹

Within the UN Department of Economic and Social Affairs (UN DESA), the Financing for Development Office (FfDO) is the focal point of the UN Secretariat for the implementation of the FfD.²²⁰ The FfDO was established by GA resolution 57/273 in 2003.²²¹ Besides providing organizational support for all FfD events of the UN System, the FfDO promotes policy coherence within the UN and provides advisory services to developing countries in how to increase domestic and international resources for sustainable development.²²²

The UN Development Programme (UNDP) is engaged with project-based work for sustainable development and its local offices in more than 170 countries serve as coordinators for all development projects of the UN System.²²³ Additionally, UNDP administers the UN Capital Development Fund (UNCDF), which provides grants, loans, and technical support to eight million households and small business in 31 least developed countries (LDCs) to ensure that recipients have sufficient access to financial services and thus can sustain their livelihoods.²²⁴

²¹¹ UN DPI, *Goal 17: Revitalize the global partnership for sustainable development*.

²¹² UN General Assembly, *Second Committee*, 2015.

²¹³ UN DESA, *General Assembly*.

²¹⁴ UN General Assembly, *Summary by the President of the General Assembly of the sixth High-level Dialogue on Financing for Development (A/68/627)*, 2013.

²¹⁵ *Ibid.*

²¹⁶ UN DESA, *General Assembly*.

²¹⁷ UN DESA, *ECOSOC*.

²¹⁸ UN DESA, *General Assembly*.

²¹⁹ UN ECOSOC, *Implementation of and follow-up to major United Nations conferences and summits: follow-up to the International Conference on Financing for Development (E/2015/77)*, 2015, pp. 14-15.

²²⁰ UN DESA, *Financing for Development Office*.

²²¹ UN General Assembly, *Ensuring effective secretariat support for sustained follow-up to the outcome of the International Conference on Financing for Development (A/RES/57/273)*, 2003.

²²² UN DESA, *Financing for Development Office*.

²²³ UNDP, *A world of development experience*.

²²⁴ UNCDF, *Our Approach*.

In addition to the actors that are directly part of the UN System, external international organizations are also involved in supporting the FfD process through technical expertise and funding assistance. In 2015, the IMF, the WBG, and the five main multilateral development banks (MDBs) joined their efforts in the *From Billions to Trillions* initiative to shift the perspective of the discussion on FfD from the \$134.7 billion ODA granted in 2013 towards the estimated \$1 trillion in total annual flows for development including philanthropy, remittances, South-South flows, and foreign direct investment.²²⁵ The initiators committed to help financing the SDGs by providing policy guidance as well as development financing to developing countries.²²⁶ As part of the initiative, the actors obligated themselves to raise more money and focus their funds more specifically towards the LDCs.²²⁷ The grants of the WBG and the MDBs are mostly characterized by being non-concessional and leveraged, meaning that they borrow from capital markets and make use of their strong financial structure and high ratings to keep interest low.²²⁸ In 2012, the MDBs mobilized \$99 billion for development projects with only \$38 billion inflows.²²⁹ The IMF Rapid Credit Facility (RCF) provides loans to LDCs in urgent need of financial assistance due to natural disasters or violent conflicts.²³⁰ RCF loans carry zero interest rate and have only limited conditionality.²³¹ In 2012, the IMF granted \$ 8.6 million under the RCF to Samoa which had suffered that year from Cyclone Evan which caused damage to the equivalent of 30% of Samoa's GDP.²³² Moreover, the IMF provides macroeconomic and financial sector policy advice.²³³ Currently, the IMF focuses on advising LDCs on expanding their domestic resources by creating enhanced taxation schemes, especially carbon pricing schemes and other environmental taxes.²³⁴

External Debt

Government debt within developing countries plays an important role in financing long-term investments in infrastructure and moderating countercyclical fiscal policies, where decreasing private investment and consumption in times of economic downturn is offset by state investment.²³⁵ However, the lack of strong domestic capital markets within developing countries, forces this debt to be taken on as external debt, that is bonds issued by governments of sovereign states and held by foreign investors.²³⁶ Between 2011 and 2013, external debt stocks rose from 20.9% to 22.7% with respect to their real gross domestic product (GDP) ratios, which increasingly threatens the budget stability within these countries and poses a risk to their overall economic health.²³⁷ High levels of external debt are regarded as a worrisome problem for several reasons: first, they make it more difficult for the debtor to default since lenders might sue them under foreign law; second, investments of foreign lenders are usually more volatile and less long-term orientated; and thirdly, developing countries loose reserves by paying debt services to foreign investors, which is hindering the emergence of a liquid domestic capital market.²³⁸

Two initiatives work towards a more sustainable debt management system for developing countries: the Paris Club and the Heavily Indebted Poor Countries (HIPC) Initiative.²³⁹ The Paris Club is an informal group of creditor countries that coordinates debt release and debt restructuring of debtor countries that are incapable of managing their debts.²⁴⁰ An example of the Club's engagement is the agreement with Argentina in 2014 to grant the country five additional years to pay back \$9.7 billion in credits and providing the country with the time needed to continue its

²²⁵ African Development Bank et al., *From Billions to Trillions: Transforming Development Finance*, 2015, p. 1.

²²⁶ *Ibid.*, p. 2.

²²⁷ African Development Bank et al., *From Billions to Trillions: Transforming Development Finance*, 2015.

²²⁸ *Ibid.*, p. 2.

²²⁹ *Ibid.*

²³⁰ International Monetary Fund, *IMF Rapid Credit Facility*, 2015.

²³¹ *Ibid.*

²³² International Monetary Fund, *IMF Executive Board Approves US\$8.6 Million Disbursement Under Rapid Credit Facility for Samoa*, 2013.

²³³ African Development Bank et al., *From Billions to Trillions: Transforming Development Finance*, 2015, p. 3.

²³⁴ International Monetary Fund, *Financing for Development: IMF's Role in the Post-2015 Agenda*, 2015.

²³⁵ Third International Conference on Financing for Development, *Addis Ababa Action Agenda*, 2015, p. 43.

²³⁶ *Ibid.*

²³⁷ UN General Assembly, *External Debt Sustainability and Development: Report of the Secretary-General (A/69/167)*, 2014, p. 2.

²³⁸ Third International Conference on Financing for Development, *Addis Ababa Action Agenda*, 2015, p. 43.

²³⁹ The World Bank, *Financing for Development: Post-2015*, 2013, p. 16.

²⁴⁰ UN General Assembly, *External Debt Sustainability and Development: Report of the Secretary-General (A/69/167)*, 2014, p. 7.

economic reforms.²⁴¹ The IMF and WBG jointly launched the HIPC Initiative in 1996.²⁴² The initiative offers countries substantial debt relief if they meet certain requirements and commit themselves to the implementation of reforms aimed at poverty reduction.²⁴³ The total costs for debt relief of the 39 countries eligible according to the requirements of the HIPC Initiative is approximately \$75 billion, of which 44% is provided by the IMF and other multilateral institutions, whereas the remaining amount is raised from bilateral creditors.²⁴⁴ The initiative contributes to poverty reduction and sustainable development by freeing domestic resources that were previously being used for debt services and forcing debtor countries through its concessional nature to develop implementable poverty reduction solutions.²⁴⁵ As a result of these two initiatives, participating countries brought down debt service payments by 2% to just 0.9 % of GDP, enabling these countries to spend their budgets on measures that enhance economic growth.²⁴⁶ However, two major challenges remain: first, non-Paris Club countries and private creditors together account for 26% of the costs of the HIPC initiative, but participation by these actors in debt relief is far behind expectations and thus hinders the completion of the program.²⁴⁷ Second, several indebted developing countries that do not fulfill requirements of the HIPC initiative still need assistance for alternate debt restructuring schemes.²⁴⁸

Mobilization of International Resources for Development

Although the amount of ODA provided by developed countries increased from \$82 billion in 2000 to \$134.7 billion in 2013, it is unlikely that those financial flows can be further enlarged to finance the SDGs due to increasing budget constraints among traditional donor countries.²⁴⁹ New sources of development aid are appearing such as emerging market economies, whose development aid does not count as ODA, and private philanthropy.²⁵⁰ China increased its ODA-like flows from \$2.6 billion in 2010 to \$3 billion in 2013 and India from \$0.7 billion to \$1.3 billion respectively.²⁵¹ Development aid given by private donors to non-governmental organizations and charities was estimated to be around \$60 to \$70 billion in 2010 and are expected to increase further.²⁵² However, those financial sources tend to be both concessional and bound to political requirements, or earmarked for specific purposes like disease eradication, so that governments cannot dispose the money freely or invest them into long-term development programs.²⁵³ The international community should support these emerging flows of development aid and attempt to untie them from conditions linked with their usage, so that national governments can make best use of them for development.²⁵⁴

Another important international source of financial means is FDI. The total net inflow of FDI into developing countries increased from \$155.7 billion in 2005 to \$327.7 billion in 2013.²⁵⁵ FDI is seen as a relatively sustainable source of private finance since it is invested in production facilities and jobs creation and also advances human capital since workers acquire useful skills and it increases tax revenues.²⁵⁶ However, FDI is concentrated in a small number of sectors that are mainly low-skilled industries and a small number of countries, predominantly in Asia and Latin America.²⁵⁷ It remains a challenge to direct FDI towards high-technology sectors and towards African

²⁴¹ UN General Assembly, *External Debt Sustainability and Development: Report of the Secretary-General (A/69/167)*, 2014, p. 7.

²⁴² International Monetary Fund, *Debt Relief Under the Heavily Indebted Poor Countries (HIPC) Initiative*, 2015.

²⁴³ *Ibid.*

²⁴⁴ *Ibid.*

²⁴⁵ *Ibid.*

²⁴⁶ The World Bank, *Financing for Development: Post-2015*, 2013, p. 16.

²⁴⁷ International Monetary Fund, *Debt Relief Under the Heavily Indebted Poor Countries (HIPC) Initiative*, 2015.

²⁴⁸ UN General Assembly, *External Debt Sustainability and Development: Report of the Secretary-General (A/69/167)*, 2014, p. 7.

²⁴⁹ UN DESA et al., *World Economic Situation and Prospects 2015*, 2015, p. 71.

²⁵⁰ The World Bank Group, *Financing for Development: Post-2015*, 2013, p. 18.

²⁵¹ Organization for Economic Co-operation and Development, *Estimates of the development co-operation programmes of: Brazil, Chile, China, Colombia, India, Indonesia, Mexico, Qatar and South Africa*, 2015.

²⁵² The World Bank, *Financing for Development: Post-2015*, 2013, p. 18.

²⁵³ *Ibid.*, p. 19.

²⁵⁴ *Ibid.*

²⁵⁵ UN DESA et al., *World Economic Situation and Prospects 2015*, 2015, p. 66.

²⁵⁶ *Ibid.*

²⁵⁷ *Ibid.*

countries.²⁵⁸ This could be more easily achieved through capacity-building, creating a more stable business environment and more transparent governance institutions within the African states.²⁵⁹

Remittances, earnings of migrants sent back home to their families, are another tool within the FfD scheme, and in 2014 totaled nearly \$583 billion, representing the largest single source of financial flows to developing countries.²⁶⁰ Remittances can lift families out of poverty and provide a stable and long-term source of income, fueling consumption and helping to increase domestic tax revenues.²⁶¹ However, countries with great shares of remittances within the national income face the threat of “Dutch Disease,” where the large inflows of foreign currency leads to an exchange rate appreciation that makes domestic products more expensive compared to foreign products, reducing their competitiveness.²⁶² In these cases remittances might even hinder development and stifle local economies.²⁶³ Additionally, remittances may also incentivize highly-skilled people to emigrate, depriving their country of their economic potential.²⁶⁴ The AAAA values remittances as an important contribution for sustainable development and calls for a reduction of the average transaction costs of remittances to 3% until 2030.²⁶⁵ Given the rapidly increasing flows of labor migrants, remittances will probably further increase and with them the challenge of unlocking their potential for poverty reduction without thwarting the economic development of the sending countries also grows.²⁶⁶

Capacity Building

Although ODA and other cross-border flows of development finance are crucial, the largest available resource for funding the development agenda for most countries remains domestic resources, which can be increased by inclusive finance and improved financial governance systems.²⁶⁷ Inclusive finance refers to the goal to guarantee universal access to all necessary financial services at reasonable costs.²⁶⁸ By enabling access to basic financial products like credit and savings for both individuals, and small- and medium-sized businesses, inclusive finance mechanisms, such as microfinance, empowers these actors to make independent economic decisions.²⁶⁹ Fostering inclusive finance benefits especially women, who, for example, in Africa are three times as likely to lack access to a bank account than men, although they own nearly half of all enterprises.²⁷⁰ Increasing women's access to banking and financial services allows for a more sustainable and robust economy and can increase consumer spending, as women are primarily responsible of household expenditure and food production.²⁷¹ In regards to FfD, the contribution of inclusive finance to economic development by funding investments and supporting individuals to set up businesses is most important.²⁷² There are still 2.5 billion adults who do not have formal access to basic financial products and new approaches are needed to focus on empowering domestic banks in developing countries to create stable, accessible financial institutions.²⁷³ Microfinance can play a key role in capacity-building and inclusive finance for individual entrepreneurs and micro-enterprises; however, significant challenges remain in implementing microfinancing schemes, particularly, that microfinance institutions lack sufficient capitalization leaving them unable to match high demand for microcredits and therefore leaving the poorest without access to financial services.²⁷⁴ Further, while microfinance can help small scale and individual entrepreneurs, overall, more investment and capacity is needed in small to mid-sized businesses to effectively make an impact on job creation and enterprise development on a larger scale.²⁷⁵

²⁵⁸ UN DESA et al., *World Economic Situation and Prospects 2015*, 2015, p. 66.

²⁵⁹ Ibid.

²⁶⁰ The World Bank, *Migrant Remittances Inflow*, 2015.

²⁶¹ International Monetary Fund, *Macroeconomic Consequences of Remittances*, 2008, p. 79.

²⁶² Ibid., p. 80.

²⁶³ The World Bank, *Migrant Remittances Inflow*, 2015, International Monetary Fund, *Macroeconomic Consequences of Remittances*, 2008, p. 80.

²⁶⁴ International Monetary Fund, *Macroeconomic Consequences of Remittances*, 2008, p. 80.

²⁶⁵ Third International Conference on Financing for Development, *Addis Ababa Action Agenda*, 2015, pp. 19-20.

²⁶⁶ International Monetary Fund, *Macroeconomic Consequences of Remittances*, 2008, p. 82.

²⁶⁷ African Development Bank et al., *From Billions to Trillions: Transforming Development Finance*, 2015, p. 7.

²⁶⁸ UN DESA, *Inclusive Finance*.

²⁶⁹ Ibid.

²⁷⁰ Anyaegbunam, Think beyond microfinance when talking about businesswomen, *Africa Renewal Online*. 2015.

²⁷¹ UN DESA, *Inclusive Finance*.

²⁷² Ibid.

²⁷³ Ibid.

²⁷⁴ Njiraini, Microfinance: Good for the poor?, *Africa Renewal Online*, 2015.

²⁷⁵ Anyaegbunam, Think beyond microfinance when talking about businesswomen, *Africa Renewal Online*. 2015.

Another main area of activity is to strengthen the financial governance systems of developing countries, especially through reform of domestic tax systems.²⁷⁶ Tax systems in developing countries lack skilled employees and efficient capacity, which would allow developing countries to improve their internal revenues and work towards sustainable and balanced budgets and decrease their reliance on external sources.²⁷⁷ It is estimated that every \$1 of investment in tax enforcement policies yields \$6 through increased direct revenue and additional indirect revenue by diverting resources otherwise dedicated to combating tax evasion.²⁷⁸ Within the UN System, ECOSOC fosters deepening international tax cooperation and thus has established the Committee of Experts on International Cooperation in Tax Matters in resolution 2004/69 (2004), which provides guidelines for tax cooperation.²⁷⁹

Conclusion

Improving the FfD process is crucial to achieving the ambitious SDGs and to significantly reducing poverty by 2030. The Second Committee takes the leading role in FfD by focusing on increasing financing for development and improving the effectiveness of programs and financing towards development objectives. The latest international conference on the issue in Addis Ababa created an opportunity to push the issue back onto the international agenda. The multiple approaches to increase FfD range from traditional sources like ODA and debt reduction to innovative ideas providing inclusive finance to remote areas. Although Member State opinions on the best road forward may differ, Member States are united in their conviction that a reliable, steady, and substantially increased flow of financial means into developing countries is needed to end poverty and create a world worth living in for every human.²⁸⁰ The agreement on the SDGs was difficult, but even more difficult will be their implementation, which requires new initiatives to fund sustainable development.²⁸¹

Further Research

Delegates should concentrate their research on how the Second Committee can find suitable ways to finance the SDGs by opening new sources of financial means for development. How can ODA be increased in the wake of tightening budgets in developed countries? How can the external debt stocks of developing countries be further reduced? How can the private sector contribute to sustainable development apart from FDI into low-skilled industries? What further areas should be targeted by capacity-building and how can international cooperation on taxation be deepened? Which of the innovative ideas can be useful in raising additional financial resources and how can they get implemented? The Second Committee is the most suited body of the UN to discuss these questions and develop solutions for them.

²⁷⁶ UN DESA et al., *World Economic Situation and Prospects 2015*, 2015, p. 85.

²⁷⁷ *Ibid.*

²⁷⁸ *Ibid.*

²⁷⁹ UN DESA, *Tax Cooperation*.

²⁸⁰ Third International Conference on Financing for Development, *Addis Ababa Action Agenda*, 2015, p. 1.

²⁸¹ *Ibid.*

Annotated Bibliography

The Global Development Incubator. (2014). *Innovative Financing for Development: Scalable Business Models that Produce Economic, Social, and Environmental Outcomes*. Retrieved 5 July 2015 from:

<http://www.globaldevincubator.org/wp-content/uploads/2014/09/Innovative-Financing-for-Development.pdf>

This research paper is written by The Global Development Incubator, a non-profit organization that supports innovative ideas to finance social change and development. It contains a profound analysis of innovative financing, its potential, and the next steps. As an independent think tank, the report casts an innovative approach to the topic and provides external insight. The report will provide delegates with an understanding of approaches towards FfD that are business centric and help in new approaches to the development of working papers.

United Nations, Department of Economic and Social Affairs. (n.d.). *Financing for Development Office* [Website]. Retrieved 20 August 2015 from: <http://www.un.org/esa/ffd/index.html>

The website of the Financing for Development Office is a great structured and comprehensive collection of relevant and useful information on the topic. Delegates may find short summaries of recent conferences, the work of the UN bodies concerned with the topic, and influential documents. Moreover, this page also contains sub-pages that focus on different aspects of the topic such as external debt or inclusive finance that provide sources for further research.

United Nations, Department of Economic and Social Affairs, et al. (2015). *World Economic Situation and Prospects 2015* [Report]. Retrieved 18 August 2015 from:

http://www.un.org/en/development/desa/policy/wesp/wesp_archive/2015wesp_full_en.pdf

This report on the current world economic situation provides up-to-date and reliable statistics on the topic, as well as well-founded evaluations of future prospects and problems. Delegates may find Chapter III of special interest since it focuses on international finance for sustainable development. Therein, the most pressing problems of financing the development of LICs are presented and underlined by explanatory numbers. Additionally, the authors formulate reform opportunities.

United Nations Development Program. (2012). *Innovative Financing for Development: A New Model for Development Finance?* [Report]. Retrieved 4 July 2015 from:

http://www.undp.org/content/dam/undp/library/Poverty%20Reduction/Development%20Cooperation%20and%20Finance/InnovativeFinancing_Web%20ver.pdf

This research paper provides an overview of several innovative ideas for how to finance development apart from traditional measures. This paper will prove useful for delegates in providing new ideas to reboot development finance and extending proposed ideas to globally reaching policies. However, the paper also has a clear focus on financing development through more effective cross-border taxes. Another chapter of the study evaluates recent innovative sources of development finance and provides lessons to learn from for future initiatives.

United Nations Economic and Social Council. (2015). *Further strengthening the work of the Committee of Experts on International Cooperation in Tax Matters: Report of the Secretary-General (E/2015/51)*. Retrieved 22 August 2015 from: <http://undocs.org/E/2015/51>

The annual report of the Secretary-General to ECOSOC on the work of the Committee of Experts on International Cooperation in Tax Matters provides an excellent and up-to-date overview on measures and efforts to increase the domestic revenue of developing countries by improving their capability to collect taxes. Since it builds on the work of the UN Secretariat as well as of the internationally composed committee, the report can be seen as a very reliable resource. Chapter four addresses still existing gaps in international tax cooperation that provide ample options for new approaches. Delegates will find this report useful in understanding where domestic institutions can be strengthened and the mechanisms needed to do so.

United Nations, General Assembly, Sixty-eighth session. (2014). *External Debt Sustainability and Development: Report of the Secretary-General (A/68/202)*. Retrieved 4 July 2015 from: <http://undocs.org/A/68/202>

In this report, the Secretary-General summarizes all current trends and statistics in regards to external debt, with key details on regional trends. Additionally, it takes a deeper look on the role

of rating agencies in creating debt crises, an aspect not developed in this guide. Afterwards, the report evaluates emerging and existing challenges and provides some possible solutions for those. This report might prove especially useful because delegates can understand how their country fits within regional trends and better develop comprehensive solutions.

United Nations, General Assembly, Sixty-eighth session. (2014). *Follow-up to the International Conference on Financing for Development (A/RES/68/204)* [Resolution]. Retrieved 20 August 2015 from: <http://undocs.org/A/RES/68/204>

This is the annual resolution of the General Assembly on Financing for Development of the sixty-eighth session. The resolution of the sixty-eighth session 68/204 presents both a good example of how resolutions of the General Assembly on the topic typically look and what issues are of concern for the General Assembly. Further, the resolution will provide delegates with an understanding of the motivations and mandate of the Third International Conference on Financing for Development, which situates the outcome document and subsequent actions by the Second Committee.

United Nations, General Assembly, Sixty-ninth session. (2014). *Follow-up and implementation of the Monterrey Consensus and Doha Declaration on Financing for Development: Report of the Secretary-General (A/69/358)*. Retrieved 21 August 2015 from: <http://undocs.org/A/69/358>

This report of the Secretary-General to the UN General Assembly is the most recent report on the topic of Financing for Development. It assesses the current state of implementation of the Monterrey Consensus and the follow-up documents. The report is clearly divided into six sections, each focusing on another source of Financing for Development. The report presents a well-researched and comprehensive evaluation of the progress made in recent years, not yet solved problems, and new challenges. It therefore provides a good and up-to-date source of the current state of the implementation of the agreements made in the past. Of additional interest for delegates might be chapter five that offers a summary of Member States' points of view on the issue.

United Nations, General Assembly, Seventieth session. (2015). *Outcome of the Third International Conference on Financing for Development: Report of the Secretary-General (A/70/150)*. Advance/Unedited version. Retrieved 20 August 2015 from: www.un.org/esa/ffd/wp-content/uploads/2015/08/70GA_SGR_FfD-3_outcome_AUV_12-08-15.pdf

This report of the Secretary-General to the UN General Assembly outlines the preparation and proceedings of the Third International Conference on Financing for Development that took place in Addis Ababa in 2015 and its outcome document, the Addis Ababa Action Agenda (AAAA). The report offers a good overview of the policy framework that was agreed on in the AAAA to finance the SDGs. Moreover, it includes all additional financial or non-financial commitments of institutions, Member States, and other entities that were made in the context of the conference. In the last chapter, it summarizes the inputs of civil society and the business community to the issues at hand. The report therefore presents an excellent source for delegates of the current priorities of the international community as a whole but also of separate organizations, Member States, and other entities.

The World Bank. (2013). *Financing for Development: Post-2015*. Retrieved 22 August 2015 from: <https://www.worldbank.org/content/dam/Worldbank/document/Poverty%20documents/WB-PREM%20financing-for-development-pub-10-11-13web.pdf>

This paper serves as excellent start for further research on the topic since it touches upon all relevant aspects of financing development. It starts with theoretical requirements for sound development finance and focuses then on the topics of: mobilizing domestic resources, official development aid, private finance for development, and innovative sources of development finance. Since this paper is authored by the World Bank, it displays plenty of graphs and numbers that help illustrate the context so that delegates may grasp of the underlying problems.



Bibliography

- African Development Bank et al. (2015). *From Billions to Trillions: Transforming Development Finance*. Retrieved 20 August 2015 from: <http://siteresources.worldbank.org/DEVCOMMINT/Documentation/23659446/DC2015-0002%28E%29FinancingforDevelopment.pdf>
- Anyaeibunam, N. & E. Alaga. (2015, June 19). Think beyond microfinance when talking about businesswomen. *Africa Renewal Online*. Retrieved 22 October 2015 from: <http://www.un.org/africarenewal/magazine/august-2015/think-beyond-microfinance-when-talking-about-businesswomen>
- International Conference on Financing for Development. (2002). *Monterrey Consensus*. Retrieved 17 August 2015 from: <http://www.un.org/esa/ffd/monterrey/MonterreyConsensus.pdf>
- International Fund for Agricultural Development. (2015). *African Postal Financial Service Initiative*. Retrieved 8 October 2015 from: <http://www.ifad.org/remittances/pub/african.pdf>
- International Monetary Fund. (2008). *Macroeconomic Consequences of Remittances*. Retrieved 8 October 2015 from: <https://www.imf.org/external/pubs/ft/op/259/op259.pdf>
- International Monetary Fund. (2010). *2010: The Year of IMF Reform* [Website]. Retrieved 21 October 2015 from: <http://blog-imfdirect.imf.org/2010/12/28/2010-the-year-of-imf-reform/>
- International Monetary Fund. (2010, November 5). *IMF Executive Board Approves Major Overhaul of Quotas and Governance* [Press Release]. Retrieved 22 September 2015 from: <https://www.imf.org/external/np/sec/pr/2010/pr10418.htm>
- International Monetary Fund. (2013, May 16). *IMF Executive Board Approves US\$8.6 Million Disbursement Under Rapid Credit Facility for Samoa* [Press Release]. Retrieved 24 September from: <http://www.imf.org/external/np/sec/pr/2013/pr13178.htm>
- International Monetary Fund. (2015). *Debt Relief Under the Heavily Indebted Poor Countries (HIPC) Initiative* [Website]. Retrieved 21 August 2015 from: <https://www.imf.org/external/np/exr/facts/hipc.htm>
- International Monetary Fund. (2015). *Financing for Development: IMF's Role in the Post-2015 Agenda* [Website]. Retrieved 20 August 2015 from: <https://www.imf.org/external/pubs/ft/survey/so/2015/pol070815a.htm>
- International Monetary Fund. (2015). *From Billions to Trillions--Transforming Development Finance* [Website]. Retrieved 20 August 2015 from: <https://www.imf.org/external/np/sec/pr/2015/pr15170.htm>
- International Monetary Fund. (2015). *IMF Rapid Credit Facility* [Website]. Retrieved 21 August 2015 from: <https://www.imf.org/external/np/exr/facts/rcf.htm>
- Latin American Economic System. (2002). *The Monterrey Consensus: analysis, proposals and follow-up*. Retrieved 24 September 2015 from: www.sela.org/media/267202/t023600000785-0-monterrey_consensus_-_analysis_proposals_and_follow-up.pdf
- Lesage, D., et al. (2010). From Monterrey to Doha: Taxation and Financing for Development. *Development Policy Review*, 28 (2): 155-172. Retrieved 20 October 2015 from: <http://onlinelibrary.wiley.com/doi/10.1111/j.1467-7679.2010.00479.x/abstract>
- Njiraini, J. (2015, June 19). Microfinance: Good for the poor?. *Africa Renewal Online*. Retrieved 23 September 2015 from: <http://www.un.org/africarenewal/magazine/august-2015/microfinance-good-poor>
- Nunnenkamp, P. & R. Thiele. (2011). Financing for development: The gap between words and deeds since Monterrey. *Kiel Institute for the World Economy*. Retrieved 24 September 2015 from: www.econstor.eu/bitstream/10419/45892/1/655009949.pdf

Organization for Economic Co-operation and Development. (n.d.). *Official development assistance - definition and coverage* [Website]. Retrieved 17 August 2015 from:

<http://www.oecd.org/dac/stats/officialdevelopmentassistancedefinitionandcoverage.htm#Definition>

Organization for Economic Co-operation and Development. (2015). *Estimates of the development co-operation programmes of: Brazil, Chile, China, Colombia, India, Indonesia, Mexico, Qatar and South Africa* [Website].

Retrieved 22 September 2015 from: <http://www.oecd.org/dac/stats/documentupload/table33a-web-final-after%20update%20Qatari%20figures.xlsx>

Soederberg, S. (2005). Recasting Neoliberal Dominance in the Global South? A Critique of the Monterrey Consensus. *Alternatives: Global, Local, Political*, 30 (3): 325-364. Retrieved 24 September 2015 from:

www.jstor.org/stable/40645162

United Nations, Capital Development Fund. (n.d.). *Our Approach* [Website]. Retrieved 19 August 2015 from

<http://www.uncdf.org/en/our-approach-0>

United Nations, Capital Development Fund. (n.d.). *Governance and Funding* [Website]. Retrieved 18 August 2015 from: <http://www.uncdf.org/en/content/governance-and-funding>

United Nations, Capital Development Fund. (2012). *Annual Report 2012*. Retrieved 22 September 2015 from:

<http://uncdf.org/en/2012-annual-report>

United Nations, Conference on the World Financial and Economic Crisis and its Impact on Development. (2009). *Outcome Document United Nations Conference on the World Financial and Economic Crisis and its Impact on Development*. Retrieved 20 August 2015 from:

<http://www.un.org/ga/president/63/interactive/financialcrisis/outcomedoc180509.pdf>

United Nations, Department of Economic and Social Affairs. (n.d.). *ECOSOC* [Website]. Retrieved 22 October 2015 from: <http://www.un.org/esa/ffd/ffd-follow-up/ecosoc.html>

United Nations, Department of Economic and Social Affairs. (n.d.). *Financing for Development Office* [Website]. Retrieved 20 August 2015 from: <http://www.un.org/esa/ffd/overview/mission-statement.html>

United Nations, Department of Economic and Social Affairs. (n.d.). *General Assembly* [Website]. Retrieved 19 August 2015 from: <http://www.un.org/esa/ffd/ffd-follow-up/general-assembly.html>

United Nations, Department of Economic and Social Affairs. (n.d.) *Inclusive Finance* [Website]. Retrieved 20 August 2015 from: <http://www.un.org/esa/ffd/topics/inclusive-finance.html>

United Nations, Department of Economic and Social Affairs. (n.d.) *Monterrey Conference* [Website]. Retrieved 18 August 2015 from: <http://www.un.org/esa/ffd/overview/monterrey-conference.html>

United Nations, Department of Economic and Social Affairs. (n.d.) *Tax Cooperation* [Website]. Retrieved 22 August 2015 from: <http://www.un.org/esa/ffd/topics/tax-cooperation.html>

United Nations, Department of Economic and Social Affairs. (2015). *The Millennium Development Goals Report 2015*. Retrieved 16 August 2015 from:

http://www.un.org/millenniumgoals/2015_MDG_Report/pdf/MDG%202015%20rev%20%28July%201%29.pdf

United Nations, Department of Economic and Social Affairs et al. (2015). *World Economic Situation and Prospects 2015* [Report]. Retrieved 18 August 2015 from:

http://www.un.org/en/development/desa/policy/wesp/wesp_archive/2015wesp_full_en.pdf

United Nations, Department of Public Information. (n.d.). *Goal 17: Revitalize the global partnership for sustainable development* [Website]. Retrieved 22 October 2015 from: <http://www.un.org/sustainabledevelopment/globalpartnerships/>

United Nations, Development Programme. (n.d.). *A world of development experience* [Website]. Retrieved 20 October 2015 from: http://www.us.undp.org/content/undp/en/home/operations/about_us.html

United Nations, Economic and Social Council. (2015). *Implementation of and follow-up to major United Nations conferences and summits: follow-up to the International Conference on Financing for Development (E/2015/77)* [Presidential Summary]. Retrieved 18 August 2015 from: http://www.un.org/en/ga/search/view_doc.asp?symbol=E/2015/77

United Nations, Economic and Social Council. (2015). *Further strengthening the work of the Committee of Experts on International Cooperation in Tax Matters: Report of the Secretary-General (E/2015/51)*. Retrieved 22 August 2015 from: http://www.un.org/ga/search/view_doc.asp?symbol=E/2015/51&Lang=E

United Nations, Financing for Development Office. (n.d.). *Chronological History of the Financing for Development Process* [Website]. Retrieved 18 August 2015 from: <http://www.un.org/esa/ffd/overview/chronology.htm#y1997>

United Nations, General Assembly. (n.d.). *Second Committee* [Website]. Retrieved 18 August 2015 from: <http://www.un.org/en/ga/second/index.shtml>

United Nations, General Assembly, Twenty-fifth session. (1970). *International Development Strategy for the Second United Nations Development Decade (A/RES/2626 (XXV))* [Resolution]. Retrieved 15 August 2015 from: [http://undocs.org/A/RES/2626\(XXV\)](http://undocs.org/A/RES/2626(XXV))

United Nations, General Assembly, Fifty-first session. (1997). *Agenda for Development (A/RES/51/240)* [Resolution]. Retrieved 18 August 2015 from: <http://undocs.org/A/RES/51/240>

United Nations, General Assembly, Fifty-second session. (1998). *Global partnership for development: high-level international intergovernmental consideration of financing for development (A/RES/52/179)* [Resolution]. Retrieved 17 August 2015 from: <http://undocs.org/A/RES/52/179>

United Nations, General Assembly, Fifty-third session. (1999). *High-level international intergovernmental consideration of financing for development (A/RES/53/173)* [Resolution]. Retrieved 19 August 2015 from: <http://undocs.org/A/RES/53/173>

United Nations, General Assembly, Fifty-seventh session. (2002). *Outcome of the International Conference on Financing for Development: Report of the Secretary-General (A/57/344)*. Retrieved 20 August 2015 from: <http://undocs.org/A/57/344>

United Nations, General Assembly, Fifty-seventh session. (2003). *Ensuring effective secretariat support for sustained follow-up to the outcome of the International Conference on Financing for Development (A/RES/57/273)* [Resolution]. Retrieved 20 August 2015 from: <http://undocs.org/A/RES/57/273>

United Nations, General Assembly, Sixtieth session. (2006). *Follow-up to and implementation of the outcome of the International Conference on Financing for Development (A/RES/60/188)* [Resolution]. Retrieved 28 August 2015 from: <http://undocs.org/A/RES/60/188>

United Nations, General Assembly, Sixty-third session. (2008). *Doha Declaration on Financing for Development: outcome document of the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus (A/RES/63/239)*. Retrieved 2 November 2015 from: <http://undocs.org/A/RES/63/239>

United Nations, General Assembly, Sixty-eighth session. (2013). *External Debt Sustainability and Development (A/68/202)* [Resolution]. Retrieved 5 July 2015 from: <http://undocs.org/A/68/202>



United Nations, General Assembly, Sixty-eighth session. (2013). *Follow-up to the International Conference on Financing for Development (A/RES/68/204)* [Resolution]. Retrieved 18 August 2015 from: <http://undocs.org/A/RES/68/204>

United Nations, General Assembly, Sixty-eighth session. (2013). *Summary by the President of the General Assembly of sixth High-level Dialogue on Financing for Development (A/68/627)* [Statement]. Retrieved 22 October 2015 from: <http://undocs.org/A/68/627>

United Nations, General Assembly, Sixty-ninth session. (2014). *External Debt Sustainability and Development: Report of the Secretary-General (A/68/202)*. Retrieved 4 July 2015 from: <http://undocs.org/A/68/202>

United Nations, General Assembly, Sixty-ninth session. (2014). *Follow-up and implementation of the Monterrey Consensus and Doha Declaration on Financing for Development: Report of the Secretary-General (A/69/358)*. Retrieved 21 August 2015 from: <http://undocs.org/A/69/358>

United Nations, General Assembly, Sixty-eighth session. (2014). *Modalities for the third International Conference on Financing for Development (A/RES/68/279)* [Resolution]. Retrieved 18 August 2015 from: <http://undocs.org/A/RES/68/279>

United Nations, General Assembly, Seventieth session. (2015). *Outcome of the Third International Conference on Financing for Development: Report of the Secretary-General (A/70/150)* (Advance/Unedited version). Retrieved 20 August 2015 from: www.un.org/esa/ffd/wp-content/uploads/2015/08/70GA_SGR_FfD-3_outcome_AUV_12-08-15.pdf

United Nations, General Assembly, Seventieth session. (2015). *Transforming Our World: The 2030 Agenda for Sustainable Development (A/RES/70/1)*. Retrieved Day Month Year from: <http://undocs.org/A/RES/70/1>

United Nations Radio. (2015). *UN Secretary-General calls for "reboot" of development finance* [Website]. Retrieved 17 August 2015 from: <http://www.unmultimedia.org/radio/english/2015/07/development-financing-needs-a-reboot/#.Vc9abfmU4Zw>

Third International Conference on Financing for Development. (2015). *Addis Ababa Action Agenda*. Retrieved 18 August 2015 from: http://www.un.org/esa/ffd/wp-content/uploads/2015/08/AAAA_Outcome.pdf

The World Bank. (2013). *Financing for Development: Post-2015*. Retrieved 22 August 2015 from: <https://www.worldbank.org/content/dam/Worldbank/document/Poverty%20documents/WB-PREM%20financing-for-development-pub-10-11-13web.pdf>

The World Bank. (2015). *Migrant Remittances Inflow*. Retrieved 8 October 2015 from: http://siteresources.worldbank.org/INTPROSPECTS/Resources/334934-1288990760745/Bilateral_Remittance_Matrix_2014.xlsx

III. World Commodity Trends and Prospects

Introduction

The role of commodities within the global economic and financial structure is vital to everything from sustainable development, food security, job creation and much more; United Nations (UN) Secretary-General Ban Ki-moon stressed the potential of commodities, if used in an efficient and sustainable way, to “help develop rural areas, create jobs and empower people while ensuring food security.”²⁸² Commodities play a crucial role in international trade and development, but a lack of regulatory frameworks combined with sharp price volatility prevents commodities from being used to their full potential in both developed and developing countries.²⁸³ Commodities are staples of trade, technically defined as “homogeneous or standardized products which are equally attractive to buyers regardless of who produces them and where the producer is located...[which is why] it is usually more efficient to have highly standardized terms of trade and then to provide a mechanism where all buyers and sellers from anywhere in the world can trade with each other.”²⁸⁴ Simply, commodities can be described as natural resources, which are exchanged between producers and buyers according to standardized procedures on the international market.²⁸⁵ The major commodity groups are agriculture and food crops; minerals, ores and metals; and energy related commodities, which are crude oil, natural gas, and coal.²⁸⁶

Between 2002 and 2008 the commodity market was marked by a sharp increase in prices across all sectors, however, prices began to breakdown in 2008, with the onset of the international financial crisis.²⁸⁷ The crisis was a shock to most consumers and governments, causing a decrease in the levels of GDP growth, while also endangering food security and income of the peoples within commodity exporting countries.²⁸⁸ The regeneration of the commodity market occurred relatively quickly after the crisis as a result of numerous factors including increasing demand in emerging markets and greater supply constraints.²⁸⁹ There were, however, noticeable differences between the various commodities groups: within food markets a tight supply combined with adverse weather caused an upshot in prices, whereas metal commodities noticed a downturn in prices due to slowing consumer demand.²⁹⁰ Commodity prices peaked again in 2011 and have experienced varying degrees of volatility since then, which can be attributed to various factors, inter alia geopolitical conflicts and decelerated economic growth.²⁹¹ Even though the decline of prices released some pressure from the tense food and energy markets and the consumers, this also led to difficulties for many producers in developing countries, as their income is significantly affected by the low prices.²⁹²

The Food and Agriculture Organization (FAO) announced in August 2015 that overall world food prices reached the lowest level since 2009, particularly affecting producers in developing countries, where lower prices results in reduced income and a limited ability to sustain their families.²⁹³ While the price drop seems like good news for consumers, this information has to be treated with caution, as the UN reports mostly a sharp drop of prices of vegetable oils and dairy products, while cereals, wheat, and maize prices have experienced price inclines.²⁹⁴ The World Bank reported that commodity prices across all sectors have shown price declines for all of 2015, owing primarily to increased supply as well as declining demand in some markets.²⁹⁵ Various commodity supervision instruments, such as the Food Price Index of the FAO, show how unpredictable and volatile prices of commodities are.²⁹⁶ This volatility creates large instabilities and insecurities as about 2/3 of developing countries are highly

²⁸² UN DPI, *The Secretary-General’s Message on Africa Day*, 2014.

²⁸³ UN General Assembly, Sixty-eighth session, *Commodities (A/RES/68/203)*, 2014, p. 2.

²⁸⁴ OECD, *Competition and Commodity Price Volatility*, 2012, p. 72.

²⁸⁵ *Ibid.*

²⁸⁶ UN General Assembly, *World Commodity Trends and Prospects: Report of the Secretary-General (A/68/204)*, 2013, pp. 3-13.

²⁸⁷ *Ibid.*, p. 2.

²⁸⁸ UNCTAD, *Commodities and Development Report: Perennial Problems, New Challenges and Evolving Perspectives*, 2013, p. 78.

²⁸⁹ *Ibid.*

²⁹⁰ UN General Assembly, *World Commodity Trends and Prospects: Report of the Secretary-General (A/68/204)*, 2013, pp. 3-13.

²⁹¹ UNCTAD, *Trade and Development Report 2014*, 2014, pp. 8-9.

²⁹² The World Bank, *Commodity Markets Outlook*, pp. 19, 26.

²⁹³ UN DPI, *World food prices hit lowest level in almost six years, UN agency reports*, 2015.

²⁹⁴ *Ibid.*

²⁹⁵ The World Bank, *Commodity Markets Outlook*, 2015.

²⁹⁶ UN DPI, *World food prices hit lowest level in almost six years, UN agency reports*, 2015; UN DPI, *UN agency reports world food prices declining to six-year low*, 2015.

dependent on commodities, meaning that more than 60% of the country's income is created by trade with commodities.²⁹⁷ The particular vulnerability of developing countries illustrates the importance of addressing the volatility of commodity markets in order to achieve sustainable development and growth in these regions.²⁹⁸

International and Regional Framework

As part of macroeconomic policy questions, commodities represent one of the main working areas of the General Assembly Second Committee and the Committee adopts resolutions on the topic of commodities on a biennial interval.²⁹⁹ The work of the Second Committee on commodity related issues is based on a number of international frameworks and agreements including: the *Johannesburg Plan of Implementation* (2002), the Outcome Document from the Rio+20 Conference *The Future We Want* (2012), the *Monterrey Consensus* (2002), the *Declaration of the World Summit on Food Security* of 2009, the Outcome Document of the Conference on the World Financial and Economic Crisis and Its Impact on Development of 2009, and the *Istanbul Declaration and Programme of Action* (2011).³⁰⁰ All of these agreements and outcome documents share the common goal of stabilizing price volatility within commodity markets, and reducing shocks due to dependence on commodities in developing countries by connecting their production to sustainable and diversified economic growth policies aimed at fighting poverty and insuring against risk.³⁰¹

To address the issues of globalization for developing countries, the *Accra Account* was adopted as the Outcome Document at the first ministerial conference of the United Nations Conference on Trade and Development (UNCTAD) in 2008; it includes a wide range of actions to maintain and build economic growth aimed at putting commodities back on the international agenda.³⁰² The *Accra Account* acknowledges the crucial role of commodities in international trade, and the vulnerability of commodity-dependent states, particularly developing states.³⁰³ The *Doha Mandate* (TC/500/Add.1) adopted by UNCTAD in 2012 followed the *Accra Account*, and represents the first working program on commodity trade and development which pertains to development-centered globalization, and emphasizes sustainable and inclusive growth and development.³⁰⁴ The Mandate recognizes the necessity to support developing and, above all, least developed countries (LDCs) in their ability to benefit from commodity production and trade.³⁰⁵ One of the most important aspects within these goals are, food commodities and the achievement of food security, by investing in diversification, agricultural development, and technological advancements.³⁰⁶

The Sustainable Development Goals (SDGs), which were adopted by the GA in resolution 70/1 in September 2015 and which represent the follow up agenda for the Millennium Development Goals (MDGs), also incorporate the issue of commodities within their targets.³⁰⁷ While the MDGs implicitly mentioned commodities in Goal 1 on the eradication of extreme hunger and poverty, the SDGs call specifically upon measures related to food security and value addition of commodities.³⁰⁸

Target C of SDG 2 aims towards an improved functioning of food commodity markets and the stabilization of extreme food price volatility by enabling improved access to market information including food reserves.³⁰⁹ The underlying assumption of this goal is that access to a higher quality and quantity of information will allow better preparation by governments, businesses, and individuals concerning price volatility, and reduce the impact of shocks

²⁹⁷ UN Radio, *Poor countries' commodity reliance is worsening, says UN*, 2015.

²⁹⁸ *Ibid.*

²⁹⁹ UN General Assembly, *Commodities (A/RES/68/203)*, 2014, p. 1.

³⁰⁰ *Ibid.*

³⁰¹ *Ibid.*

³⁰² UNCTAD, *UNCTAD XII: Accra Accord and the Accra Declaration*; UNCTAD, *UNCTAD XII: Accra Accord and the Accra Declaration*, 2008, p. iii.

³⁰³ UNCTAD, *Accra Accord: Addressing the Opportunities and Challenges of Globalization for Development*, 2008, pp. 10-11.

³⁰⁴ UNCTAD, *The Doha Mandate (TD/500/Add.1)*, 2012, p. 1.

³⁰⁵ *Ibid.*, pp. 5-6.

³⁰⁶ *Ibid.*, pp. 12-13.

³⁰⁷ UN General Assembly, *Transforming Our World: the 2030 Agenda for Sustainable Development (A/RES/70/1)*, 2015; UN General Assembly, *United Nations Millennium Declaration (A/RES/55/2)*, 2000.

³⁰⁸ UN General Assembly, *Report of the Open Working Group of the General Assembly on Sustainable Development Goals (A/Res/68/970)*, 2014, pp. 12, 17; UN General Assembly, *United Nations Millennium Declaration (A/RES/55/2)*, 2000.

³⁰⁹ UN General Assembly, *Transforming Our World: the 2030 Agenda for Sustainable Development (A/RES/70/1)*, 2015.

on food prices which ultimately impact both consumers and producers.³¹⁰ Furthermore, knowledge about markets and food reserves will help to predict extreme prices and allow for implementation of timely and adequate countermeasures to avoid sharp crashes or steep price booms.³¹¹ Target B of SDG 9 pertains to domestic technology development, research, and innovation especially in developing states, which also include the value addition of commodities.³¹² The goal is to decrease the vulnerability of commodity exporting countries to shocks in the international commodity markets, by constructing resilient and diversified industries and economies to decrease dependence on raw material commodity exports and single-value commodities.³¹³ The overall goal is to make the usage and exploitation of commodity resources more efficient and effective by introducing new technologies that facilitate production and extraction, particularly for the people who work with the production of commodities.³¹⁴

On the regional level, both the African Union (AU) and the European Union (EU) have taken distinct approaches. The AU Conference of Ministers of Trade on Commodities established in 2005 the *Arusha Declaration and Plan of Action on African Commodities*.³¹⁵ The Declaration emphasizes the need to address the vulnerability and lack of prospects for commodity producers to achieve improvements in the eradication of poverty and to sustainably develop the economy.³¹⁶ The high prevalence of dependence on different types of commodities in the African region is acknowledged and the consequent need to fight extreme price volatility of commodity prices is a priority.³¹⁷ However, the Declaration also stresses that the main problem consists in the particular form of commodity dependence which is related to general poverty and characterized by low productivity, low product quality, and low competitiveness that prevents economic growth and poverty alleviation.³¹⁸ The Commission of the EU established an Expert Group on Agricultural Commodity Derivatives and Spot Markets, which consults and supports the Commission in developing policies and legislation and initiatives, and provides insights into the functions and procedures of commodity markets.³¹⁹ Furthermore, the Commission publishes a monthly Commodity Price Dashboard that is supposed to monitor price developments and provide an overview on recent trends within the EU and internationally.³²⁰

Role of the International System

As a response to commodity price volatility that has a major impact on vulnerable groups, various responses and initiatives were created within the UN System.³²¹ The General Assembly Second Committee has initiated several resolutions focused on commodities in the last several decades, inter alia resolutions 68/23 (2013), 66/190 (2011), 64/192 (2009), 63/207 (2008), 61/190 (2006), and 59/233 (2004); these resolutions stress the relevance of the topic for the international community and the urgent need to introduce further action to release the price-related pressure from commodity-dependent developing countries and their citizens.³²² The GA calls for the creation of policies on national, regional, and international level that address price volatility and support commodity-dependent countries.³²³ Specific measures such as better technical and physical infrastructure, enhanced technological innovation, and strong product and supply chain management are identified as central features to the stabilization of commodity production within developing states.³²⁴ Furthermore, the Second Committee discusses annually the issues of agriculture development, food security, and nutrition, and reminds the international community of its responsibility to address these issues as part of the fight against hunger and poverty and the commitments made in development goals.³²⁵ Additionally, the Committee draws attention to the topic of international trade and

³¹⁰ UN General Assembly, *Transforming Our World: the 2030 Agenda for Sustainable Development (A/RES/70/1)*, 2015.

³¹¹ *Ibid.*

³¹² *Ibid.*

³¹³ *Ibid.*

³¹⁴ *Ibid.*

³¹⁵ AU, *Arusha Declaration and Plan of Action on African Commodities*, 2005.

³¹⁶ *Ibid.*, p. 2.

³¹⁷ AU, *Arusha Declaration and Plan of Action on African Commodities*, 2005.

³¹⁸ *Ibid.*, p. 3.

³¹⁹ European Commission, *Agriculture and Rural Development Expert Group on Agricultural Commodity Derivatives and Spot Markets*.

³²⁰ European Commission, *Agriculture and Rural Development: Commodity Price Monitoring*.

³²¹ UN General Assembly, *World Commodity Trends and Prospects: Report of the Secretary-General (A/68/204)*, 2013, p. 2.

³²² UN General Assembly, *Commodities (A/RES/68/203)*, 2014, pp. 1, 3.

³²³ *Ibid.*, p. 3.

³²⁴ *Ibid.*, p. 3.

³²⁵ UN General Assembly, *Agriculture Development, Food Security and Nutrition (A/RES/69/240)*, 2015, pp. 1-3.

development with annual resolutions, which also emphasize the commitments of the MDGs, the ambitions to develop sustainable economic growth, and an equal, non-discriminatory trading system, specifically with respect to easing the burden of tariff and non-tariff trade barriers, of which all states can benefit at all stages of development.³²⁶

The United Nations Development Programme (UNDP) is also involved in the commodity sector and in 2009 established the Green Commodities Programme (GCP) with the aim of addressing specifically the economic, social, and environmental issues of developing countries related to the agricultural commodity sector.³²⁷ The GCP focuses mainly on the advancement of rural livelihoods, fighting the impacts of climate change, and the preservation of ecosystems, landscapes, and seascapes.³²⁸ The GCP aims to address the combination of ecological, social, and economic factors that affect commodity pricing to diminish the vulnerability of countries and their producers and to achieve sustainable development.³²⁹ The programme concentrates on commodities with high environmental and social impacts, such as cocoa, café beans, beef, cotton, palm oil, pineapple, rice, shrimp, sugar, tea, tuna, and timber.³³⁰

UNCTAD aims towards the inclusion and integration of developing countries into the world economy by enhancing and supporting their development.³³¹ UNCTAD mainly works towards sustainable and inclusive development through the means of international trade, which it attempts to achieve by providing analysis and advice, promoting partnerships for trade policies, trade negotiations, competition law, and consumer protection.³³² UNCTAD established the Special Unit on Commodities in 2008, which closely cooperates with LDCs to develop strategies and policies that address the challenges and opportunities of commodity trade.³³³ One of UNCTAD's key roles is facilitating multilateral discussion on the topic, such as hosting the annual Global Commodities Forum, which allows states to discuss emerging issues of the day as well as identify areas for commodity sector reform.³³⁴ Additionally, UNCTAD established in 1989 the Common Fund for Commodities after rounds of international negotiations, aimed at enhancing "socio-economic development" for commodity producers.³³⁵ The Fund contributes to development projects and focuses on overall commodity development, rather than addressing problems on a country by country basis.³³⁶

Commodity Groups

Agricultural and Food Crops

In poorer countries, food expenses account for up to 80% of the household's budget, and, as such, price volatility for basic food products can easily result in critical situations for these households and even in humanitarian crises.³³⁷ The international agriculture and food market interconnects countries closely, so that price shocks are felt in all regions and affect especially those regions with little ability to adopt adequate and rapid measures to respond to rising prices and decreasing availability of basic foods.³³⁸ Agricultural commodity prices have been very volatile in recent years mostly due to external factors, such as adverse weather and geopolitical conflicts, but also due to the use of agricultural goods as non-food commodities, such as bio-fuels.³³⁹ The unpredictability of food price volatility does not only hinder the fight against poverty and malnutrition, but also negatively affects investment in economies and agricultural production.³⁴⁰ State policy responses following food supply shortages, such as export taxes and

³²⁶ UN General Assembly, *International Trade and Development (A/RES/69/205)*, 2015, pp. 1-2.

³²⁷ UNDP, *Green Commodities Programme*, p. 5.

³²⁸ *Ibid.*

³²⁹ *Ibid.*

³³⁰ *Ibid.*, p. 6.

³³¹ UN General Assembly, *Establishment of the United Nations Conference on Trade and Development as Organ of the General Assembly (A/RES/1995(XIX))*, 1964, p. 1.

³³² UNCTAD, *International Trade and Commodities*.

³³³ UNCTAD, *Commodities and Development*.

³³⁴ UNCTAD, *Global Commodities Forum*.

³³⁵ Common Fund for Commodities, *Organisational Profile*.

³³⁶ *Ibid.*

³³⁷ OECD, *Competition and Commodity Price Volatility*, 2012, pp. 11-12.

³³⁸ UNCTAD, *Commodities and Development Report: Perennial Problems, New Challenges and Evolving Perspectives*, 2013, p. 73.

³³⁹ UNCTAD, *Trade and Development Report 2014*, 2014, pp. 8-9.

³⁴⁰ UNCTAD, *Commodities and Development Report: Perennial Problems, New Challenges and Evolving Perspectives*, 2013, pp. 76-77.

bans, quotas, subsidies, and government-to-government sales, frequently worsen the shock on the food markets and put food-importing countries particularly under stress.³⁴¹

Within the agricultural sector, demand for food products and other assorted market interference by governments in a state can cause artificial demand increases by lessening the elasticity of supply within the commodity group, especially in cases of developing countries.³⁴² Other interference, such as agricultural subsidies, may appear positive on the surface by providing producers with economic incentives towards commodity production, and providing consumers with low cost goods, but in the long run “generous subsidies neither discourage demand or waste, nor encourage search for substitutes,” continuing the cycle of subsidization.³⁴³

Mineral, Ores, and Metals

Mineral commodities are closely connected to the condition of the world economy, as regression of the international economy usually leads to decreasing production of goods that require minerals as their components.³⁴⁴ The price peak of this commodity group was reached in 2011, since then price have steadily declined, with relative stability in 2013 and 2014.³⁴⁵ One crucial issue that affects international markets is the geographical concentration of mineral resources in some particularly conflict-prone regions, which leads to higher vulnerability as regional instabilities can produce international shortage.³⁴⁶ Additionally, regional concentration facilitates cartelization, which increases the producers’ power and decreases buyer’s influence, as the buyers are spread internationally.³⁴⁷

Demand for different minerals and metals is predominately influenced by a few major industries, such as the automobile industry, and single strong consumer countries, such as China, the U.S., and countries in the Eurozone.³⁴⁸ The price changes of the commodity group of minerals, ores, and metals are mostly determined by market factors, such as transportation costs, energy costs, and environmental policies.³⁴⁹ Furthermore, financial trading influences the price level and volatility, but also the value of the US dollar has major effects on the food market.³⁵⁰ The close relation between the stability of the economy and the commodity prices of this group is highly problematic, as countries that export minerals, ores, and metals experience duplicated hardships: the general economic recession and the decreasing demands of their commodity exports combined with destabilized price levels.³⁵¹

Oil and Energy Related Commodities

The group of oil and energy related commodities consist of crude oil, natural gas, and coal.³⁵² Currently, crude oil prices are relatively low, due to weak international demand and the relatively high supply, which is predicted to remain throughout 2015.³⁵³ However, geopolitical tensions in many oil-exporting countries have recently led to signs of rising price volatility.³⁵⁴ Crude oil has experienced extreme price crashes with a relative high regularity, whereby the last crash in 2014-2015 showed a price collapse of 51% in 83 days, but price recovery was relatively quick.³⁵⁵ Prices for natural gases vary significantly between regions, so that no general trend can be stated.³⁵⁶ Prices in Asia have accelerated towards a historical peak, while prices in the U.S. and Europe have experienced a downward trend

³⁴¹ UNCTAD, *Commodities and Development Report: Perennial Problems, New Challenges and Evolving Perspectives*, 2013, pp. 71-72.

³⁴² OECD, *Competition and Commodity Price Volatility*, 2012, pp. 11-12.

³⁴³ *Ibid.*, p. 14.

³⁴⁴ *Ibid.*, pp. 26-27.

³⁴⁵ UN DESA, et al., *World Economic Situation and Prospects 2015*, 2015, pp. 46, 48.

³⁴⁶ OECD, *Competition and Commodity Price Volatility*, 2012, p. 14.

³⁴⁷ *Ibid.*

³⁴⁸ UN DESA, et al., *World Economic Situation and Prospects 2015*, 2015, pp. 46, 48; UN General Assembly, *World Commodity Trends and Prospects: Report of the Secretary-General (A/68/204)*, 2013, p. 9.

³⁴⁹ OECD, *Competition and Commodity Price Volatility*, 2012, pp. 26-27.

³⁵⁰ *Ibid.*

³⁵¹ *Ibid.*

³⁵² UN General Assembly, *World Commodity Trends and Prospects: Report of the Secretary-General (A/68/204)*, 2013, pp. 10-13.

³⁵³ UN DESA et al., *World Economic Situation and Prospects 2015*, 2015, p. 50.

³⁵⁴ UNCTAD, *Trade and Development Report 2014*, 2014, pp. 8-9.

³⁵⁵ The World Bank, *Commodity Markets Outlook*, 2015, pp. 7-9.

³⁵⁶ UN General Assembly, *World Commodity Trends and Prospects: Report of the Secretary-General (A/68/204)*, 2013, pp. 11-12.

over the last years.³⁵⁷ Coal also experienced high prices in 2011, but since then prices have been falling, mostly caused by a greater product supply but weak coal demand, leading to an oversupply and extreme competition among providers.³⁵⁸ Currently, prices are volatile to a certain extent, which mostly can be explained by varying seasonal demand and the influence of the development of other commodities.³⁵⁹

The energy commodity sector also includes the production of biofuels and bio-energy.³⁶⁰ Bio-energies have received increased attention as they are seen as a way to decrease dependence on oil and gas, and furthermore, could address environmental issues that arise with the consumption of traditional energy resources.³⁶¹ In many countries, the government subsidizes different energy resources to ensure social welfare and affordability; however, this measure also carries along negative effects, such as unsustainable energy consumption.³⁶² Despite the environmentally negative effects of subsidies, governments use subsidies to control and share the risk taking that is inherent in economic activities, which usually is supposed to be regulated by the markets.³⁶³ This means that while subsidies are common economic measures of states, their usage needs to be evaluated carefully, to avoid consequences on the international market and prevent counterproductive measures that harm the environment and economic balances.³⁶⁴

Price Volatility

The commodity market is accustomed to day-to-day price fluctuation, which is seen as a standard occurrence.³⁶⁵ Therefore, price fluctuations do not raise significant concerns until excessive volatility over a longer period of time is observed.³⁶⁶ The factors influencing the prices of commodities can be separated into demand- and supply-side causes, whereby the different commodity groups are entangled and the influences are overlapping.³⁶⁷ Competition may also play a role in price volatility and the nature of competition within commodity markets is both complex and often asymmetric, and can vary from state to state, even within the same commodity sector.³⁶⁸ On occasion, volatile price increases come as a result of anti-competitive behavior by commodity producers, particularly in industries such as energy or minerals; while in other cases price shifts can be exacerbated by government intervention into commodity markets such as export bans or import barriers.³⁶⁹

Demand Side

Price instabilities on the demand side are partly caused by the constantly growing global population, which demands a greater amount of food, but also by the greater variety and quality of food required by the growing middle-class in many countries.³⁷⁰ The commodity market is closely interlinked with general economic trends, especially for non-food commodities, where recession leads to decreasing demands of minerals, metals, and other commodities, and results in an over-supply on the commodity market.³⁷¹ Speculations on the food market have increased the volatility of prices by creating an artificial demand-supply-construct disguising the actual demands.³⁷² Speculations pretend a high demand on a certain product, which leads to rising prices and consequently, vendors and speculators receive high revenues.³⁷³ However, consumers are forced to spend increasing amounts of money on foodstuff, which puts higher pressure on people in developing countries with a limited ability to spend higher sums on food.³⁷⁴ The

³⁵⁷ UN General Assembly, *World Commodity Trends and Prospects: Report of the Secretary-General (A/68/204)*, 2013, pp. 11-12.

³⁵⁸ *Ibid.*, pp. 12-13.

³⁵⁹ *Ibid.*, p. 13.

³⁶⁰ OECD, *Competition and Commodity Price Volatility*, 2012, p. 351.

³⁶¹ *Ibid.*, p. 224; OECD, *Analysing Energy Subsidies in the Countries of Eastern Europe, Caucasus and Central Asia*, 2013, p. 6.

³⁶² OECD, *Analysing Energy Subsidies in the Countries of Eastern Europe, Caucasus and Central Asia*, 2013, pp. 6-8.

³⁶³ *Ibid.*

³⁶⁴ *Ibid.*

³⁶⁵ UN General Assembly, *World Commodity Trends and Prospects: Report of the Secretary-General (A/RES/68/204)*, 2013, p. 13.

³⁶⁶ *Ibid.*

³⁶⁷ *Ibid.*, pp. 13-14.

³⁶⁸ OECD, *Competition and Commodity Price Volatility*, 2012, p. 11.

³⁶⁹ *Ibid.*, p. 11-12.

³⁷⁰ UN General Assembly, *World Commodity Trends and Prospects: Report of the Secretary-General (A/68/204)*, 2013, p. 13.

³⁷¹ UNCTAD, *Trade and Development Report 2014*, 2014, p. 12.

³⁷² UN General Assembly, *World Commodity Trends and Prospects: Report of the Secretary-General (A/68/204)*, 2013, p. 13.

³⁷³ *Ibid.*

³⁷⁴ *Ibid.*

introduction of biofuels in the international market not only increased pressure on the agricultural market as the produced crops are now shared between the biofuel production and food consumption, but also resulted in a close link between the oil and the agricultural commodity market.³⁷⁵ In addition to this increase in demand of crops, many governments have introduced subsidies for biofuels, which affects both the agricultural and the oil market, as cheaper crops destroy the agricultural market price and cheaper produced biofuels lower the demand of oil and consequently lead to a decrease of the oil price.³⁷⁶

Supply Side

On the supply side, there are many influential factors that impact commodity production, and furthermore, several factors possess a high “destructivity,” meaning that the production or exploitation of commodities is completely destroyed or made impossible to pursue.³⁷⁷ Factors with a high destructivity are, for example, natural catastrophes, such as droughts, floods, or earthquakes, and violent conflicts, such as civil wars or guerilla movements.³⁷⁸ The major factor jeopardizing the stability of food commodity markets on the supply side are weather conditions and climate change, such as droughts, heat waves and floods, earthquakes, and landslides.³⁷⁹ Despite the disputed impacts of climate change on agricultural production, experts agree that climate change contributes to the worsening of already tense situations, especially in arid and semi-arid regions.³⁸⁰ Another factor that impacts supply, especially for commodities that are predominantly produced or exploited by a very limited number of areas, is geopolitical tensions and violent conflicts, which slow down or even destroy economic activity and cause significant price increases.³⁸¹

Evaluation

The analysis of factors that affect the supply and demand of commodities show the close connection of different incidences in the world, such as geopolitical conflicts, climate change, and natural catastrophes, and financial and economic policies.³⁸² Furthermore, an ideal solution for the commodity market appears non-existent, as the interests of consumer companies, which prefer to pay low prices for their products, conflict with the interests of producers that aims towards high prices to guarantee their income.³⁸³ However, extreme price volatility affects all groups equally, as lacking calculability and predictability is equally disadvantageous.³⁸⁴ The international community is requested to implement measures compromising the interests of all the different interest groups.³⁸⁵ Possible actions on the international level to decrease volatility include agreements to regulate commodity prices, quota systems, compensatory funds, and insurance systems.³⁸⁶ On the national level, national revenue funds, alternative trade initiatives and diversification, and insurance and price risk management instruments can decrease dependences and vulnerability.³⁸⁷ Particular concern should be taken into account in terms of the interests of weaker actors, such as individual consumers and small-scale farmers in developing countries, as they are least able to deal with the consequences of crises.³⁸⁸

Conclusion

According to the forecasts of the World Bank for 2015, all commodity prices are expected to decline with varying degrees depending on the specific group.³⁸⁹ Despite the relaxation of pressure in many areas, such as the food supply, current developments continue to represent a problematic trend, as ongoing volatility causes uncertainties

³⁷⁵ OECD, *Competition and Commodity Price Volatility*, 2012, p. 25.

³⁷⁶ *Ibid.*

³⁷⁷ UN General Assembly, *World Commodity Trends and Prospects: Report of the Secretary-General (A/68/204)*, 2013, p. 14.

³⁷⁸ *Ibid.*

³⁷⁹ OECD, *Competition and Commodity Price Volatility*, 2012, p. 25.

³⁸⁰ FAO, et al., *Price Volatility in Food and Agricultural Markets: Policy Responses*, 2011, p. 11.

³⁸¹ UNCTAD, *Trade and Development Report 2014*, 2014, pp. 8-9, 12; UN General Assembly, *World Commodity Trends and Prospects: Report of the Secretary-General (A/68/204)*, 2013, p. 10.

³⁸² UN General Assembly, *World Commodity Trends and Prospects: Report of the Secretary-General (A/68/204)*, 2013, p. 14.

³⁸³ *Ibid.*, p. 13.

³⁸⁴ *Ibid.*

³⁸⁵ UN General Assembly, *Commodities (A/RES/68/203)*, 2014, p. 3.

³⁸⁶ UNDP, *Towards Human Resilience: Sustaining MDG Progress in an Age of Economic Uncertainty*, 2011, pp. 11, 70.

³⁸⁷ *Ibid.*

³⁸⁸ UN General Assembly, *Commodities (A/RES/68/203)*, 2014, p. 3.

³⁸⁹ The World Bank, *Commodity Markets Outlook*, pp. 3-4.

and many commodity-dependent and developing countries lack of planning capabilities.³⁹⁰ It can thus be concluded that the most pressing issues around the latest crisis have been overcome, as prices returned to relative stability. The engagement of most actors has decreased after the crisis recovery. The situation, however, has not been significantly changed as the fragility of the markets and the vulnerability of the people in relation to commodity prices, especially concerning vital commodities, remains. The international community must work towards implementing the provisions and plans adopted over the last years and extending their engagement towards regulations that prevent major crises from occurring.

Further Research

Delegates should consider the following questions when pursuing their research on the topic: How can price volatility be decreased? How could further commodity price crashes be prevented? What measures can be taken to address the factors affecting the production of agricultural commodities? How can the exploitation of commodities required by the international economy be made more sustainable? How can states prepare adequately for price volatility and limited access to essential commodities? Is there a way to measure price volatility to improve measures that enhance preparedness to extreme price shocks? What role should the Second Committee play in the stabilization and regulation of the commodity markets? And with the adoption of the SDGs, how can the framework be efficiently used to decrease price volatility and to improve, in particular, the situation for people in developing countries?

³⁹⁰ The World Bank, *Commodity Markets Outlook*, pp. 19, 26.

Annotated Bibliography

Food and Agricultural Organization of the United Nations, et al. (2011). *Price Volatility in Food and Agricultural Markets: Policy Responses* [Report]. Retrieved 19 August 2015 from: <http://www.oecd.org/tad/agricultural-trade/48152638.pdf>

This joint report from various UN organizations and agencies concentrates on the volatility in the food and agricultural market. The report provides definitions and analysis, as well as policy options to combat price volatility. The report broadly assesses competition in the commodity sector and the consequences of price volatility in the area. Apart from describing the statuses and changes in the different commodity groups, the report also gives delegates an insight into the competition on commodity markets, the practice of speculation with commodities, and the foundation of cartels.

Food and Agricultural Organization of the United Nations, et al. (2011). *The State of Food Insecurity in the World: How does international price volatility affect domestic economies and food security?* [Report]. Retrieved 18 July 2015 from: <http://www.fao.org/docrep/014/i2330e/i2330e.pdf>

The report of the FAO gives a comprehensive picture of the historical perspective, current global situation, and the possible future development of food commodities. The report assesses the recent price crisis and explains the reasons for rising food price volatility. It analyzes the benefits and risks of high and low food prices for different actors involved in the field and assesses the consequences of volatile food prices on consumer and producer. The report is helpful to delegates in understanding the results of food prices on households, as well as the national and international level, and the report illustrates the short- and long-term consequences of food prices on developing countries and food-importing countries.

Organisation of Economic Co-operation and Development. (2012). *Competition and Commodity Price Volatility*. Retrieved 19 August 2015 from:

<http://www.oecd.org/daf/competition/CompetitionAndCommodityPriceVolatility2012.pdf>

This report evaluates the background and origin of price volatility in different sectors and introduces theoretical frameworks that can support the understanding of the complexity of the topic. Additionally, different issues, such as competition on commodity markets, the practice of speculation with commodities, the foundation of cartels, and competition law and policies are addressed. The paper provides a high number of small examples of cases and countries to support the claims made, which also enables delegates to achieve a better understanding of the topic and to enrich their knowledge with practical examples and case references.

United Nations Conference on Trade and Development. (2013). *Commodities and Development Report: Perennial Problems, New Challenges and Evolving Perspectives*. Retrieved 18 July 2015 from:

http://unctad.org/en/PublicationsLibrary/suc2011d9_en.pdf

UNCTAD's report connects the issues of commodities and development by critically assessing the effects of dependence on commodities, especially in relation to the recent commodity price crisis and to current development aims. Apart from giving a historical overview of the topic, the report also includes sections on poverty, food security, and structural and financial impacts. To conclude, the report evaluates constantly repeating problems related to the topic and possible solutions and improvements. An extensive overview is also provided that helps delegates to understand the long-term perspective of commodities in relation to development of countries.

United Nations Conference on Trade and Development. (2014). *State of Commodity Dependence* [Report].

Retrieved 18 July 2015 from: http://unctad.org/en/PublicationsLibrary/suc2014d7_en.pdf

This report evaluates the situation of commodity dependence by providing insight into the specific situation of commodity-dependent countries. A great variety of data and figures is represented which portrays commodity trade in different countries and in relation to import and export of commodity trading countries. Furthermore, the report illustrates the degree of dependence and severity of price volatility of different countries. Individual country profiles allow delegates insight into the situation of their assigned country and provide context on the state of commodity dependence on a wider scale.

United Nations Conference on Trade and Development. (2014). *Trade and Development Report 2014*. Retrieved 18 July 2015 from: <http://www10.iadb.org/intal/intalcdi/PE/2014/14727.pdf>

The report published by UNCTAD is a comprehensive document assessing the current situation in the areas of trade and development as interconnected sectors. The evaluation of recent trends in the world economy includes a helpful section about commodity markets, and also examines changes in global growth and international trade. The distinction between developed and developing countries enables delegates to learn about the disparate effects of changes in global growth on different actors. The report is an overarching document pertaining to all sectors of trade and development and providing a deep insight into the developments in the sector and the necessary actions and responses that these changes require.

United Nations Department of Economic and Social Affairs, et al. (2015). *World Economic Situation and Prospects 2015* [Report]. Retrieved 18 July 2015 from:

http://www.un.org/en/development/desa/policy/wesp/wesp_archive/2015wesp_full_en.pdf

This joint publication of several United Nations' agencies explores the current international economic situation. The consequences of commodities prices and their volatility on small farmers are mentioned and analyzed, whereby also several tables and data are provided. Furthermore, the report gives delegates a good overview on the context of commodities and the background of the topic on the agenda, in order to achieve in depth knowledge and understanding of the complexity and scope of the topic.

United Nations, General Assembly, Sixty-eighth session. (2013). *World Commodity Trends and Prospects: Report of the Secretary-General (A/68/204)*. Retrieved 22 June 2015 from: <http://undocs.org/A/68/204>

This report summarizes the changes on the topic since the last Secretary-General report in 2011 and assesses initiatives and actions taken since then. Emphasis is put on the issues of price volatility and food security, which severely affect the issues of poverty eradication and the advancement of developing countries. The report evaluates the situation of the three main groups of commodities (agricultural and food crops; mineral, ores and metals; and energy), and thus provides a good perspective on the differences and distinctive features of the three areas. The report will help delegates to understand the differences between the commodity groups and the developments in the individual groups in recent years.

United Nations, General Assembly, Sixty-eighth session. (2014). *Commodities (A/RES/68/203)* [Resolution]. Adopted on the report of the Third Committee (A/68/436/Add.4). Retrieved 23 June 2015 from:

<http://undocs.org/A/RES/68/203>

This General Assembly resolution acknowledges the importance of commodities for both developed and developing countries, by referring to different aspects of commodity trade and related risks and benefits. The resolution mentions the need to implement further policy responses to react adequately towards price volatility and dependence on commodities, by which especially developing countries are affected. The resolution highlights the importance of cooperation among countries in order to diminish vulnerabilities. The resolution provides a good overview of the current status in the field and the work already achieved by the UN System. The source enables delegates to understand the engagement of the Second Committee in the commodity sector and the situation of commodity related initiatives and agreements within the UN System.

The World Bank. (2015). *Commodity Markets Outlook*. Retrieved 18 July 2015 from:

http://www.worldbank.org/content/dam/Worldbank/GEP/GEPcommodities/GEP2015b_commodity_Apr2015.pdf

The report published by the World Bank provides information on the commodities in the area of energy, metals, precious metals, fertilizers, and agriculture. The current situation of the different commodities is analyzed and predictions on the development of the production and price of the commodities are available. Furthermore, the publication includes a special focus on the last four oil price crashes, which enables delegates to understand the oil market movements and provides possible future development of the commodity.

Bibliography

- African Union. (2005). *Arusha Declaration and Plan of Action on African Commodities*. Retrieved 20 September 2015 from: <https://www.issafrica.org/uploads/ARUSHADECLNOV05.PDF>
- Agricultural Market Information System. (n.d.). *About AMIS* [Website]. Retrieved 24 August 2015 from: <http://www.amis-outlook.org/amis-about/en/>
- Agricultural Market Information System. (n.d.). *Energy and Other Indicators* [Website]. Retrieved 20 September 2015 from: <http://www.amis-outlook.org/indicators/energy/en/>
- Agricultural Market Information System. (n.d.). *Prices and Price Volatility* [Website]. Retrieved 20 September 2015 from: <http://www.amis-outlook.org/indicators/prices/en/>
- Common Fund for Commodities (n.d.). *Organisational Profile* [Website]. Retrieved 2 November 2015 from: <http://common-fund.org/about-us/organisation-and-profile/>
- Dobbs, R., et al., (2013). *Resource Revolution: Tracking Global Commodity Markets* [Report]. McKinsey Global Institute & McKinsey Sustainability & Resource Productivity Practice. Retrieved 18 July 2015, from: http://www.mckinsey.com/insights/energy_resources_materials/resource_revolution_tracking_global_commodity_markets
- European Commission. (n.d.). *Agriculture and Rural Development: Commodity Price Monitoring* [Website]. Retrieved 20 September 2015 from: http://ec.europa.eu/agriculture/markets-and-prices/price-monitoring/index_en.htm
- European Commission. (n.d.). *Agriculture and Rural Development Expert Group on Agricultural Commodity Derivatives and Spot Markets* [Website]. Retrieved 20 September 2015 from: http://ec.europa.eu/agriculture/cereals/commodity-expert-group/index_en.htm
- Food and Agricultural Organization of the United Nations, et al. (2011). *Price Volatility in Food and Agricultural Markets: Policy Responses* [Report]. Retrieved 19 August 2015 from: <http://www.oecd.org/tad/agricultural-trade/48152638.pdf>
- Food and Agricultural Organization of the United Nations, et al. (2011). *The State of Food Insecurity in the World: How does international price volatility affect domestic economies and food security?* [Report]. Retrieved 18 July 2015 from: <http://www.fao.org/docrep/014/i2330e/i2330e.pdf>
- Global Agriculture and Food Security Program. (2010). *Framework Document for a Global Agriculture and Food Security Program (GAFSP)*. Retrieved 24 August 2015 from: [http://www.gafspfund.org/sites/gafspfund.org/files/Documents/GAFSP%20Framework%20Document%20FINAL%20\(external\).pdf](http://www.gafspfund.org/sites/gafspfund.org/files/Documents/GAFSP%20Framework%20Document%20FINAL%20(external).pdf)
- Organisation for Economic Co-operation and Development. (2012). *Competition and Commodity Price Volatility*. Retrieved 19 August 2015 from: <http://www.oecd.org/daf/competition/CompetitionAndCommodityPriceVolatility2012.pdf>
- Organisation for Economic Co-operation and Development. (2013). *Analysing Energy Subsidies in the Countries of Eastern Europe, Caucasus and Central Asia*. Retrieved 21 September 2015 from: http://www.oecd.org/env/outreach/EHS%20report_20%20August%202013_ENG.pdf
- Trade and Development Commission. (2013). *Progress Report on Activities Related to the Implementation of the Provisions of the Doha Mandate Related to Commodities: Note by the UNCTAD Secretariat (TD/B/C.I/CRP.3)*. Retrieved 23 June 2015 from: http://unctad.org/meetings/en/SessionalDocuments/cicrp3_en.pdf

United Nations Commission on Life-Saving Commodities for Women and Children. (2012). *Commissioner's Report*. Retrieved 18 July 2015 from: http://www.everywomaneverychild.org/images/UN_Commission_Report_September_2012_Final.pdf

United Nations Conference on Trade and Development. (n.d.). *Commodities and Development* [Website]. Retrieved 25 August 2015 from: <http://unctad.org/en/Pages/SUC/Commodities-Special-Unit.aspx>

United Nations Conference on Trade and Development. (n.d.). *International Commodity Bodies* [Website]. Retrieved 24 August 2015 from: <http://www.unctad.info/en/Special-Unit-on-Commodities/Areas-of-Work/Links/International-Commodity-Bodies/>

United Nations Conference on Trade and Development. (n.d.). *International Trade and Commodities* [Website]. Retrieved 25 August 2015 from: <http://unctad.org/en/Pages/DITC/DITC.aspx>

United Nations Conference on Trade and Development. (2008). *Accra Accord: Addressing the Opportunities and Challenges of Globalization for Development* [Report]. Retrieved 18 July 2015 from: http://unctad.org/en/docs/tdxii_accra_accord_en.pdf

United Nations Conference on Trade and Development. (2008). *UNCTAD XII: Accra Accord and the Accra Declaration* [Report]. Retrieved 18 September 2015 from: http://unctad.org/en/Docs/iaos20082_en.pdf

United Nations Conference on Trade and Development. (2012). *The Doha Mandate (TD/500/Add.1)*. Retrieved 22 August 2015 from: http://unctad.org/meetings/en/SessionalDocuments/td500_Add_1en.pdf

United Nations Conference on Trade and Development. (2013). *Commodities and Development Report: Perennial Problems, New Challenges and Evolving Perspectives*. Retrieved 18 July 2015 from: http://unctad.org/en/PublicationsLibrary/suc2011d9_en.pdf

United Nations Conference on Trade and Development. (2014). *Commodities at a Glance: Special Issue on Rare Earths No. 5* [Report]. Retrieved 18 July 2015 from: http://unctad.org/en/PublicationsLibrary/suc2014d1_en.pdf

United Nations Conference on Trade and Development. (2014). *Global Commodities Forum 2014* [Report]. Retrieved 18 July 2015 from: http://unctad.org/en/PublicationsLibrary/suc2014d4_en.pdf

United Nations Conference on Trade and Development. (2014). *Key Statistics and Trends in International Trade* [Report]. Retrieved 18 July 2015 from: http://unctad.org/en/PublicationsLibrary/ditctab2014d2_en.pdf

United Nations Conference on Trade and Development. (2014). *State of Commodity Dependence* [Report]. Retrieved 18 July 2015 from: http://unctad.org/en/PublicationsLibrary/suc2014d7_en.pdf

United Nations Conference on Trade and Development. (2014). *Trade and Development Report 2014*. Retrieved 18 July 2015 from: <http://www10.iadb.org/intal/intalcdi/PE/2014/14727.pdf>

United Nations Conference on Trade and Development. (2015). *Global Commodities Forum 2015* [Website]. Retrieved 2 November 2015 from: <http://unctad.org/en/Pages/MeetingDetails.aspx?meetingid=647>

United Nations Department of Economic and Social Affairs, et al. (2015). *World Economic Situation and Prospects 2015* [Report]. Retrieved 18 July 2015 from: http://www.un.org/en/development/desa/policy/wesp/wesp_archive/2015wesp_full_en.pdf

United Nations, Department of Public Information. (2014). *The Secretary-General's Message on Africa Day* [Statement]. Retrieved 21 September 2015 from: <http://www.un.org/sg/statements/index.asp?nid=7714>

United Nations, Department of Public Information. (2015, April 20). *Secretary-General Calls for New Era of Sustainable Development in 2015, as Economic and Social Council Opens Two-Day High-Level Event* [Meetings Coverage]. Retrieved 25 August 2015 from: <http://www.un.org/press/en/2015/ecosoc6684.doc.htm>

United Nations, Department of Public Information. (2015, May 22). *Modest global growth set to continue for rest of year, says UN economic report* [News Article]. Retrieved 25 August 2015 from: <http://www.un.org/apps/news/story.asp?NewsID=50948&Kw1=commodities&Kw2=&Kw3=#.Vdwh4XiCO-h>

United Nations, Department of Public Information. (2015, June 4). *UN agency reports world food prices declining to six-year low* [News Article]. Retrieved 25 August 2015 from: <http://www.un.org/apps/news/story.asp?NewsID=51051&Kw1=commodities&Kw2=&Kw3=#.VdwkFHiCO-g>

United Nations, Department of Public Information. (2015, August 6). *World food prices hit lowest level in almost six years, UN agency reports* [News Article]. Retrieved 25 August 2015 from: <http://www.un.org/apps/news/story.asp?NewsID=51573#.VdwiHiCO-g>

United Nations Development Programme. (n.d.). *Green Commodities Programme* [Report]. Retrieved 20 September 2015 from: <http://www.undp.org/content/dam/undp/library/Environment%20and%20Energy/Green%20Commodities%20Programme/GCPbrochure-new%20version-.pdf>

United Nations Development Programme. (2011). *Towards Human Resilience: Sustaining MDG Progress in an Age of Economic Uncertainty* [Report]. Retrieved 25 October 2015 from: http://www.undp.org/content/dam/undp/library/Poverty%20Reduction/Towards_SustainingMDG_Web1005.pdf

United Nations Framework Convention on Climate Change. (n.d.). *International Emissions Trading* [Website]. Retrieved 24 August 2015 from: http://unfccc.int/kyoto_protocol/mechanisms/emissions_trading/items/2731.php

United Nations, General Assembly, Nineteenth session. (1964). *Establishment of the United Nations Conference on Trade and Development as Organ of the General Assembly (A/RES/1995(XIX))* [Resolution]. Retrieved 20 September 2015 from: [http://undocs.org/A/RES/1995\(XIX\)](http://undocs.org/A/RES/1995(XIX))

United Nations, General Assembly, Sixth special session. (1974). *Programme of Action on the Establishment of a New International Economic Order (A/RES/S-6/3202)* [Resolution]. Retrieved 20 September 2015 from: <http://www.un-documents.net/s6r3202.htm>

United Nations, General Assembly, Fifty-fifth session. (2000). *United Nations Millennium Declaration (A/RES/55/2)* [Resolution]. Retrieved 22 August 2015 from: <http://undocs.org/A/RES/55/2>

United Nations, General Assembly, Sixty-eighth session. (2013). *World Commodity Trends and Prospects: Report of the Secretary-General (A/68/204)*. Retrieved 22 June 2015 from: <http://undocs.org/A/68/204>

United Nations, General Assembly, Sixty-eighth session. (2014). *Commodities (A/RES/68/203)* [Resolution]. Adopted on the report of the Third Committee (A/68/436/Add.4). Retrieved 23 June 2015 from: <http://undocs.org/A/RES/68/203>

United Nations, General Assembly, Sixty-ninth session. (2015). *Agriculture Development, Food Security and Nutrition (A/RES/69/240)* [Resolution]. Retrieved 24 August 2015 from: <http://undocs.org/A/RES/69/240>

United Nations, General Assembly, Sixty-ninth session. (2015). *International Trade and Development (A/RES/69/205)* [Resolution]. Retrieved 24 August 2015 from: <http://undocs.org/A/RES/69/205>

United Nations, General Assembly, Seventieth session. (2015). *Transforming Our World: the 2030 Agenda for Sustainable Development (A/RES/70/1)* [Resolution]. Retrieved 22 October 2015 from: <http://undocs.org/A/RES/70/1>

United Nations Radio. (2015). *Poor countries' commodity reliance is worsening, says UN* [Website]. Retrieved 20 July 2015 from: <http://www.unmultimedia.org/radio/english/2015/04/poor-countries-commodity-reliance-is-worsening-says-un/#.Vay90HiCO-g>



United Nations Zero Hunger Challenge. (n.d.). *The Challenge: Hunger can be eliminated in our lifetimes* [Website]. Retrieved 24 August 2015 from: <http://www.un.org/en/zerohunger/challenge.shtml>

The World Bank. (2015). *Commodity Markets Outlook*. Retrieved 18 July 2015 from: http://www.worldbank.org/content/dam/Worldbank/GEP/GEPcommodities/GEP2015b_commodity_Apr2015.pdf