General Assembly Second Committee
Background Guide 2019

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Dear Delegates,

Welcome to the 2019 National Model United Nations New York Conference (NMUN•NY)! We are pleased to welcome you to the General Assembly Second Committee. This year’s staff are: Directors Ismail Dogar (Conference A) and Yannick Stiller (Conference B), and Assistant Directors Niveditha Sethumadhavan (Conference A) and Laila Fouad (Conference B). Ismail received his BSc in Health Sciences and International Business from Benedictine University, his doctorate in dental medicine from Midwestern University, and completed an advanced education in general dentistry at the University of New Mexico Hospital. Yannick completed his MSc in International Political Economy at the London School of Economics and is currently pursuing a PhD in Political Science from the University Salzburg, focusing on international trade agreements. Niveditha is in the third year of her BA Honors, majoring in Business Communications at Brock University, while pursuing a minor in Environmental Sustainability. Laila completed her BA in Economics at the American University in Cairo, and his currently pursuing her Master of Public Administration with a concentration in Economic Policy at Columbia University.

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

1. External Debt Sustainability and Development
2. Facilitating Knowledge Transfer for Sustainable Development
3. Ensuring Access to Affordable, Reliable, Sustainable, and Modern Energy for All

As the Economic and Financial committee of the General Assembly, the Second Committee addresses topics of development and economic policy, including international trade, sustainable development, globalization, and the eradication of poverty.

This Background Guide serves as an introduction to the topics for this committee. However, it is not intended to replace individual research. We encourage you to explore your Member State’s policies in depth and 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 by 11:59 p.m. (Eastern) on 1 March 2019 in accordance with the guidelines in the NMUN Position Paper Guide.

Two resources, available to download from the NMUN website, that serve as essential instruments in preparing for the Conference and as a reference during committee sessions are the:

1. **NMUN Delegate Preparation Guide** - explains each step in the delegate process, from pre-Conference research to the committee debate and resolution drafting processes. Please take note of the information on plagiarism, and the prohibition on pre-written working papers and resolutions. Delegates should not start discussion on the topics with other members of their committee until the first committee session.
2. **NMUN Rules of Procedure** - include the long and short form of the rules, as well as an explanatory narrative and example script of the flow of procedure.

In addition, please review the mandatory NMUN Conduct Expectations on the NMUN website. They include the Conference dress code and other expectations of all attendees. We want to emphasize that any instances of sexual harassment or discrimination based on race, gender, sexual orientation, national origin, religion, age, or disability will not be tolerated. If you have any questions concerning your preparation for the committee or the Conference itself, please contact the Under-Secretaries-General for the General Assembly Department, Dieyun Song (Conference A) and Maximilian Jungmann (Conference B), at usg.ga@nmun.org.

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

**Conference A**
- Ismail Dogar, Director
- Niveditha Sethumadhavan, Assistant Director

**Conference B**
- Yannick Stiller, Director
- Laila Fouad, Assistant Director
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United Nations System at NMUN•NY

This diagram illustrates the UN system simulated at NMUN•NY and demonstrates the reportage and relationships between 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.
Introduction

The General Assembly Second Committee is one of the six Main Committees of the United Nations (UN) General Assembly.1 Following World War II, the UN was formed to prevent the outbreak of future wars by fostering peace and security among states and resolving pressing global issues including securing fundamental human rights.2 Each of the General Assembly’s Main Committees, along with the Economic and Social Council (ECOSOC), were tasked with focusing on specific issues to fulfill the UN’s objectives, as outlined under Articles 55 to 60 of the Charter of the United Nations (1945).3 While differing in their areas of focus, the Main Committees share similar arrangements in structure, governance, membership, functions, and powers.4

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 economic growth, the reduction of global poverty levels, and the improvement of social conditions and living standards.5 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 of the World Bank Group to reduce structural problems faced in developing states and promote economic stability.6

With the rise of economic crises across the international system, the Second Committee has delegated some of its work to other key international organizations, such as the World Trade Organization (WTO).7 As a result of these changes, the Committee has structured its agenda to focus on attaining the Sustainable Development Goals (SDGs) within the confines of its mandate.8 This results in the creation of a platform in the Second Committee that allows Member States to discuss the root causes and effects of crucial economic events and their triggering factors, prevention strategies to avoid crises reoccurrences, and create innovative policies that address economic growth and development.9

Governance Structure and Membership

The Second Committee follows a UN plenary structure that comprises of 193 Member States, as well as a number of Observer States and non-governmental organizations (NGOs).10 Each Member State in the General Assembly has a single vote of equal weight.11 This allows all Member States to express their voices and encourages an atmosphere of collaboration and cooperation.12

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1 UN General Assembly, Economic and Financial, 2018.
3 UN General Assembly, About the General Assembly, 2018.
4 Ibid.
7 UN General Assembly, Economic and Financial, 2018.
9 UN General Assembly, Economic and Financial, 2018.
The General Assembly convenes annually in New York starting with the General Debate in the third week of September. The agenda lays out the main areas for discussion and is set by the Main Committees. The allocation of items on the agenda to each of the Main Committees, including the Second Committee, is the responsibility of the General Committee. The General Committee is formed by the President of the General Assembly and 22 Vice-Presidents from different regional blocs. From January to September, the General Committee focuses on thematic debates, consultations, and meetings through organized working groups. During these Committee sessions, Member States can discuss and address solutions to the assigned topics. As a part of the UN reporting structure, there are five primary types of organizations that report to the General Assembly and its six Main Committees: subsidiary bodies, funds and programs, research and training institutes, related organizations, and other entities. The General Assembly receives and considers reports on ongoing topics and 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. At the end of each year, the Second Committee submits a report that includes draft resolutions to the General Assembly Plenary on each agenda item that was allocated to it. The Plenary then considers each report, and votes on the adoption of the included draft resolutions. The adopted resolutions require a simple majority to pass, should a vote be ordered. Resolutions adopted within the General Assembly are not legally binding, but generally represent global consensus.

Due to the large scope of the Second Committee’s mandate, several UN entities work closely with the Committee; one such entity, the UN Department of Economic and Social Affairs (UN DESA), is an arm of the UN Secretariat that focuses on development. This organization maintains nine divisions, each related to different facets of development. The work it completes is considered the bridge between national action and economic, social and environmental policy. Another entity, the Office for ECOSOC Support and Coordination provides the main operational and policy support for ECOSOC and the Second Committee on development issues. Additionally, the office prepares and advises the General Assembly on the periodic review of funding operational development activities, and facilitates links between ECOSOC and the General Assembly through the United Nations Development Group (UNDG). While the two bodies often work together on many issues, it is important to the note that ECOSOC serves as the main coordination arm of economic and social policies, which are defined and agreed upon by the General Assembly. ECOSOC coordinates these efforts through collaborating with other UN entities, which include agencies such as the United Nations Development Programme (UNDP), United Nations Children’s Fund (UNICEF) and the Commission on the Status of Women (CSW), among others. Lastly,

16 Ibid.
17 UN General Assembly, Past Sessions, 2018.
18 Ibid.
21 UN Dag Hammarskjöld Library, UN Documentation: General Assembly, 2017.
22 Ibid.
24 UN General Assembly, Functions and powers of the General Assembly, 2018/
25 UN DESA, About UN DESA, 2018.
26 Ibid.
27 UN DESA, What We Do, 2018.
28 UN ECOSOC, Office for ECOSOC Support and Coordination, 2018.
29 Ibid.
30 UN ECOSOC, ECOSOC at a Glance, 2018/
31 UN ECOSOC, ECOSOC System, 2018.
the Fifth Committee of the General Assembly leads the Main Committees on issues of budgetary allocations, especially in regards to resolutions that require the allocation of financial resources.32

**Mandate Functions and Powers**

Articles 55-60 of the *Charter of the United Nations* outline the Committee’s mandate, which includes addressing macroeconomic policy issues, such as international trade, external debt sustainability, and financing for development.33 Due to this focus on economy and development, the Second Committee has aligned its agenda to primarily address the *2030 Agenda for Sustainable Development*.34 Notable areas of the SDGs that are discussed include sustainable development, globalization and interdependence, and poverty eradication.35 Additionally, 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.”36

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 national legislation and policy.37 The work of the Committee is chiefly substantive, with the exception of its mission on the revitalization of the General Assembly, where it aims 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.38

The Second Committee completes its work primarily through draft proposals and submissions of reports to the General Assembly as outlined in the committee's Organization of Work.39 The Committee has the ability to convene relevant conferences and summits on the global development agenda.40 Additionally, the Second Committee can request the Secretary-General to submit reports on significant issues and can host side events.41 This is useful in fulfilling the Committee's role of encouraging, strengthening, and improving the implementation of Member States' commitments in relation to development targets and SDGs in particular.42 Moreover, this power allows the Second Committee to take on more of an effective role and concentrate on resolving numerous issues through these devolved powers.43

Because of the universal membership of the General Assembly Second Committee, it is vital to reach the broadest agreement possible, which is why most of the resolutions are adopted by consensus.44 Consensus at the UN is the agreement of a document that Member States agree upon without the need of a vote, and is an ideal that all Members States strive toward.45 Such a goal indicates that the document is not divisive in nature and encompasses the many perspectives that are present within the body.46 Approximately 80% of resolutions adopted by the General Assembly are adopted by consensus, and

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32 UN General Assembly, *Administrative & Budgetary (Fifth Committee): About the Fifth Committee*, 2018
34 UN DPI, *Second Committee Must Focus on Overarching Objective of Tackling Poverty, Structural Needs,Delegate Say as General Debate Begins*, 2017.
36 Ibid.
40 Ibid.
43 Ibid.
44 UN, *How Decisions are Made at the UN*, 2018.
45 Ibid.
46 Ibid.
when items are put to a vote, it is often due to the disagreement of only one or two Member States. For example, only 12 out of the 42 adopted resolutions required a vote during the Second Committee’s 72nd session.

Recent Sessions and Current Priorities

The 72nd session convened in the fall of 2017, where delegates addressed topics related to sustainable development, macroeconomic policies, and international trade. General Assembly Resolution 72/203 which was adopted in 2017 called upon the international financial, monetary, and trading systems to continue to create an open, fair, and inclusive environment that fosters sustainable development and advances the 2030 Agenda for Sustainable Development. The resolution further affirmed the need for lenders and creditors to resolve as well as to prevent unsustainable debt, and called for the completion of the fifteenth general review of quotas of the IMF as well as the drafting of a new quota formula by the end of 2019. General Assembly resolution 72/204 of 2017 acknowledges that high debt burdens pose threats to sustainable development. The existing debt sustainability framework created by institutions such as the World Bank and the IMF require updating, and the international community should remain vigilant in preventing future debt crises. Additionally, the resolution called upon the United Nations Conference on Trade and Development (UNCTAD) to convene its 11th International Debt Management Conference to better address such situation. Some other areas that the body addressed within the scope of international trade and finance included combating illicit financial inflows through money laundering and transnational organized crime as well as financial inclusion and commodities.

The committee also deliberated in areas of knowledge as a means to attain sustainable development, especially in regards to information and communications technologies (ICTs) for development. In 2017, General Assembly resolution 72/200 recognized that ICTs can foster sustainable development through creating innovative solutions to many existing challenges, further globalization along with economic and social cooperation, and increase access to information and knowledge. General Assembly resolution 72/224 of 2017 on “Ensuring access to affordable, reliable, sustainable and modern energy for all,” calls upon Member States to promote universal access to affordable and reliable forms of energy. Additionally, the resolution calls for improved heating and cooking energies, as well as further investments in renewable and environmentally sound energies. The 73rd session, held from 3 October 2018 through 30 November 2018, addressed topics of poverty eradication, globalization and interdependence, implementing the outcomes of the United Nations Conferences on Human Settlements and on Housing and Sustainable Development, food security, and permanent sovereignty of the Palestinian people.

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47 UN, How Decisions are Made at the UN; UN DPI, Concluding Session, Second Committee Passes 14 Draft Resolutions, Including Texts on Macroeconomic Policy, Trade Liberalization, 2017.
49 UN General Assembly, Second Committee. Reports to the Plenary, 2017.
51 Ibid.
52 UN General Assembly, External Debt Sustainability and Development (A/RES/72/204), 2017.
53 Ibid.
54 Ibid.
55 UN DPI, General Assembly Takes Action on Second Committee Reports by Adopting 41 Texts, Approves another to Consider Overhaul of Peace, Security Pillar, 2017.
58 UN General Assembly, Ensuring Access to Affordable, Reliable, Sustainable and Modern Energy for all (A/RES/72/244), 2017.
59 Ibid.
60 UN General Assembly, Agenda Items and Periodicity, 2018.
Conclusion

The General Assembly Second Committee is a part of the UN’s primary organ, and its work on topics such as external debt sustainability, facilitating knowledge transfer, and improving modern energy infrastructure, serves as a vital mechanism in fulfilling the 2030 Agenda for Sustainable Development. Additionally, in line with the adopted SDGs, the Committee has sought to foster innovative ideas by attempting to combine sustainable growth with meeting development targets. There are many challenges that the Second Committee faces, especially with the fact that development is meticulously intertwined with many various social, cultural and environmental considerations. For example, there is increased volatility in the financial markets globally, escalating armed conflict is observed in many regions of the world, the number of refugees has reached crises levels and an uncertain and changing climate all threaten economic stability and human development. It is therefore crucial for the Committee to effectively mobilize its resources and exert its authority over other UN bodies to address its mandate of promoting a stable, sustainable global financial system.

Annotated Bibliography


This source is a comprehensive guide of the UN General Assembly, its different committees, and the links each have with different UN system actors. This resource will provide delegates with a good foundation in understanding the Main Committees, in a practical and direct way. The guide also serves as a useful point in starting their research and understanding of the mandate of the Second Committee.


This source is the official website of the Second Committee. It represents the main platform used by the Committee to give information about its role, functions and mandate, other than publish its activities and initiatives. This is a good resource for delegates to deepen their knowledge on the previous sessions of this body and stay up to date on the new draft resolutions that are before the body for consideration.


This website is a good resource for delegates to gain familiarity with the work that the Second Committee throughout both its current session and what has been accomplished in previous sessions. The press releases are published consistently throughout the session and will often show the topics being addressed as well as give insight from a diverse group of representatives. Due to these insights, delegates may not only gain knowledge about what the Committee is undertaking, but they may also learn what their represented countries or voting blocs are saying about various topics.


This resource provides delegates with the General Assembly Second Committee agenda for the 73rd session. This agenda allows delegates to have an immediate overview of the topics that will be discussed by the Committee in the current session. By studying the

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61 UN General Assembly, Allocation of agenda items to the Second Committee: Note by the Secretariat (A/C.2/72/1), 2016.
62 Ibid.
63 UN DESA, Sustainable Development Challenges, 2013.
64 Ibid.
schedule of the next Second Committee meeting, delegates will be able to understand
the objectives and goals of this Committee.

This is one of the main websites of the Second Committee. It contains a plethora of
knowledge that delegates can utilize in understanding functions, mandate, as well as
current developments and side events related to the committee. Additionally, delegates
can find information regarding the Secretariat, as well as published documents by the
committee in a centralized way. Delegates can access the information easily and the
website is updated constantly to relay the work of the committee.

Retrieved 9 August 2018 from: http://undocs.org/A/RES/69/313
The Addis Ababa Action Agenda is a key document that is cited frequently by the
General Assembly Second Committee. Reviewing the document can help delegates
understand the overhaul of the global financial practices that Member States adopted.
Additionally, the Addis Ababa Action Agenda also serves as the foundation of the global
sustainable development policy. Therefore, the action agenda can serve as a good
resource to understand the mandate of the Second Committee in terms of broad topics
such as sustainable development.

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Institutions Critical to Avoiding Spread of Global Risk, Speaker Says as Second Committee Debates
Economic Crisis (GA/EF/3386) [Meetings Coverage]. Retrieved 9 August 2018 from:


I. External Debt Sustainability and Development

Introduction

The World Bank defines external debt as “the sum of long-term external debt, short-term external debt, and [International Monetary Fund (IMF)] credit.”\(^6^5\) It represents the total debt owed to nonresident creditors.\(^6^6\) The Secretary-General estimates that external debt stocks of developing countries and economies in transition have reached $7.1 trillion in 2016, an 80% increase since 2009.\(^6^7\) The average ratio of debt service payments to exports – a common indicator for the ability of a country to repay its debt in foreign currency – was at a low of 8.7% in 2011, but increased to a high of 12.9% in 2015, and only slightly improved to 12.3% in 2016.\(^6^8\) This ratio varies widely among developing countries and ranges from less than 1% in Myanmar to nearly 60% in Venezuela.\(^6^9\) In fact, the share of low-income developing countries (LIDC) at high risk of debt distress or already unable to service their debt fully is at almost 40%.\(^7^0\)

Debt accumulation can spur development if loans are invested in productive assets, such as infrastructure, productivity, and civil society.\(^7^1\) Developing countries, which typically do not have strong domestic financial institutions, rely on foreign lenders.\(^7^2\) However, if debt levels become too high, future repayment schedules might exceed economic growth and the country’s ability to repay debt.\(^7^3\) The government must use increasing amounts of tax revenues to repay its existing debts and will be forced to reduce investment in development.\(^7^4\) External debts, which are mostly denominated in foreign currency, are especially hard to repay for crisis-struck developing countries, which often suffer from high inflation and currency devaluation that make external debt increasingly expensive.\(^7^5\) Additionally, rising debt levels will cause international rating agencies to reduce the credit rating of a country, which in turn will cause interest rates on further loans to increase as creditors demand compensation for the risk they are taking when lending to a highly indebted country.\(^7^6\) As interest rates rise, ever-higher levels of economic growth are required to create the resources needed to repay existing debt.\(^7^7\) If heavily indebted countries borrow money to increase development, they have to do so at high interest rates, thereby making it unlikely that their development is increased sufficiently to repay the debts.\(^7^8\) Consequently, the governments of these countries must decrease their spending on development and social services.\(^7^9\) In the end, high debt levels always carry the risk of resulting in debt crises that cause states to default on their debt, which can cause a lasting damage to a country’s trade, investment flows, and economic growth.\(^8^0\)

The exact level at which external debt becomes unsustainable is a matter of debate and highly depends on the country’s fiscal structures, financial systems, macroeconomic situation and its default and inflation history.\(^8^1\) The IMF and the World Bank, which are the main international organizations dealing with global

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\(^6^6\) Ibid.
\(^6^8\) Ibid.
\(^7^0\) UNCTAD, "Debt warning lights flash for poorest countries, experts say," 2018.
\(^7^1\) Pattillo et al., *External Debt and Growth*, 2002.
\(^7^2\) Ibid.
\(^7^3\) Ibid.
\(^7^4\) Ibid.
\(^7^5\) Reinhart et al., *Debt Intolerance*, 2003, p. 11.
\(^7^7\) Roubini, *Debt Sustainability: How to Assess Whether a Country is Insolvent*, 2001, pp. 3-4.
\(^7^8\) Shabbir, *Does External Debt Affect Economic Growth: Evidence from Developing Countries*, 2013, pp. 4-5.
\(^8^0\) Reinhart et al., *Debt Intolerance*, 2003, p. 11.
\(^8^1\) Ibid., p. 64.
finance, classify countries into one of three debt-carrying capacity categories and assign each category a threshold of sustainability.\textsuperscript{82} The threshold for the ratio of external debt service to exports is set at 10\% for countries in the weak category, 15\% in the medium category, and 21\% in the strong category.\textsuperscript{83}

**International and Regional Framework**

Unsustainable external debt levels restrict the abilities of states to pursue effective development policies, which is why the international community included the topic in the 2030 Agenda for Sustainable Development (2030 Agenda), adopted in 2015.\textsuperscript{84} Specifically, target 17.4 aims to “assist developing countries in attaining long-term debt sustainability through coordinated policies aimed at fostering debt financing, debt relief and debt restructuring, as appropriate, and to address the external debt of highly indebted poor countries to reduce debt distress.”\textsuperscript{85} The indicator to measure the achievement of this target is the “debt service as a proportion of exports of goods and services.”\textsuperscript{86} The Addis Ababa Action Agenda of the Third International Conference on Financing for Development (Addis Ababa Action Agenda) of 2015 supports the implementation of the 2030 Agenda with concrete policies and actions, includes an entire subchapter on the topic of debt sustainability.\textsuperscript{87} The actions proposed include ways to improve monitoring and data assessment, enhance the cooperation between creditors and debtors, reduce the vulnerability of countries against non-cooperative minority bondholders, and help countries that experience severe natural disasters or other shocks.\textsuperscript{88} Although the Paris Agreement of the United Nations Framework Convention on Climate Change (UNFCCC) (2015) does not explicitly mention sovereign debt, it calls upon developed countries to financially assist emerging economies with climate change mitigation and adaptation, which would otherwise have to be funded through external debt.\textsuperscript{89}

Throughout modern history, sovereign states have accumulated external debt and defaulted on this debt if it became unsustainable.\textsuperscript{90} The latest instance of developing countries facing a systematic threat due to their high external debt was the World Financial and Economic Crisis, which caused an acute and severe shortage of foreign finance.\textsuperscript{91} In response, the General Assembly adopted resolution 63/303 in 2009 and called upon Member States to increase debt relief and grant more concessional loans, which typically have lower interest rates and longer grace periods than market loans to ensure debt sustainability.\textsuperscript{92} Should all other measures to solve a debt crisis fail, countries will have to restructure their debt.\textsuperscript{93} In 2015, the UN General Assembly created nine principles on this process in resolution 69/319.\textsuperscript{94} These principles include “the right to sovereign debt restructuring, good faith, transparency, equitable treatment, sovereign immunity, legitimacy, sustainability, and principle of majority restructuring.”\textsuperscript{95}

In April 2005, the IMF and World Bank jointly developed the Debt Sustainability Framework for Low-Income Countries (DSF), a tool to conduct public and external Debt Sustainability Analyses (DSA) that facilitates access to debt relief.\textsuperscript{96} DSAs conducted under the DSF consist of an indicator to assess the

\textsuperscript{83} Ibid.
\textsuperscript{85} Ibid.
\textsuperscript{86} UN DESA, *Sustainable Development Goal 17*, 2017.
\textsuperscript{88} Ibid.
\textsuperscript{89} COP 21, *Paris Agreement*, 2015, p. 13.
\textsuperscript{90} Reinhart et al., *Debt Intolerance*, 2003, p. 4.
\textsuperscript{92} Ibid., p. 10.
\textsuperscript{94} Ibid.
country’s debt-carrying capacity, an assessment of the current debt situation and debt vulnerabilities, a baseline forecast of the debt and debt service developments and scenarios for plausible shocks, as well as recommendations for a borrowing and lending strategy that limits the risks of debt distress. The IMF and the World Bank use the DSAs to determine access of countries to their financing mechanisms.

**Role of the International System**

External debt sustainability and its impact on development is discussed annually by the General Assembly with a special focus on new and emerging challenges and vulnerabilities. The most recent General Assembly resolution on this topic is resolution 72/204 of 2017, which expresses particular concerns about developments such as the structural changes to the overall debt composition toward volatile short-term debt, the rapid growth of private sector debt, and the growing use of new and riskier debt financing instruments. The General Assembly stresses the necessity of improving data collection, conducting analytical activities, and strengthening information sharing to enhance the understanding of external debt sustainability and build early warning systems for debt crises. The resolution also calls for an expansion of existing debt relief initiatives, cooperation between debtors and creditors to resolve debt crises, and more lenience of creditors for developing countries affected by natural disasters. Additionally, the resolution states that robust national frameworks for sustainable debt management are needed to limit the growth of private sector debt and the usage of risky and untested financing methods. Moreover, the resolution encourages governments to reduce the ability of minority bondholders to block national debt restructuring for a country in debt crisis.

The United Nations Conference on Trade and Development (UNCTAD) provides technical cooperation and advisory services in the area of debt management through the Debt Management and Financial Analysis System (DMFAS) Programme. The program helps countries enhance their capacity to manage public liabilities and collect trustworthy debt data for policy-making. UNCTAD also organizes the biannual International Debt Management Conference, where governments, international organizations, academia, businesses, and civil society can exchange their views on public finance, debt management, and debt crisis prevention. The eleventh conference, held in 2017, included panel discussions on topics such as responsible financing practices and state-contingent debt instruments, whose payoffs are contractually linked to a variable like gross-domestic product or a trigger event like a natural disaster.

The Inter-Agency Task Force on Financing for Development (IATF) is tasked with following up on the implementation of the Addis Ababa Action Agenda and as such also reports on the progress toward debt sustainability. In its 2018 report, the IATF found debt risks to be rising, which is creating the threat of a new cycle of debt crises and economic shocks. Its key recommendations include improved monitoring and analysis of debt developments by debtors and creditors, increased usage of state-contingent debt instruments, assistance for countries hit by natural disasters, broadening of debt relief, and expanded use

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97 Ibid.
101 Ibid., p. 4.
102 Ibid., p. 5.
103 Ibid., p. 5.
104 Ibid., p. 6.
106 Ibid.
108 Ibid.
of collective action clauses in bond contracts that make borrowers less subject to litigation from distressed
debt funds.\textsuperscript{111}

The IMF and the World Bank are also among the major creditors of developing countries.\textsuperscript{112} The IMF and World Bank have been involved in two major initiatives to reduce debt levels.\textsuperscript{113} Generally, the World Bank provides concessional loans with low interest rates or no interest rates at all and very long contract lengths, whereas the IMF lends to all countries at market interest rates.\textsuperscript{114} The Heavily Indebted Poor Countries (HIPC) Initiative was launched in 1996 to reduce debt service and allow the participating countries to increase their social spending.\textsuperscript{115} Providing debt relief for the 39 countries that are potentially eligible is estimated to cost about $77 billion.\textsuperscript{116} However, the activity of the initiative has been slowing down in the recent decade as 36 countries have already completed the process and received full debt relief.\textsuperscript{117} The remaining three countries eligible to start the process (Eritrea, Somalia, and Sudan) do not meet all qualifications due to political turmoil.\textsuperscript{118} The Multilateral Debt Relief Initiative (MDRI) was proposed by the former Group of 8 (G8) major industrial countries and envisioned that the IMF, the International Development Association of the World Bank, and the African Development Fund cancel all debt of countries that had completed the HIPC Initiative.\textsuperscript{119} Since there was no longer any outstanding MDRI-eligible debt, the MDRI was ended in 2015 after having provided about $42 billion in debt relief.\textsuperscript{120}

The Paris Club is an informal group of 22 industrialized creditor states that was created after the Latin American debt crisis in the 1950s that initially only provided debt refinancing at market interest rates offered by private actors such as banks.\textsuperscript{121} Over time, the Paris Club started to grant increasingly high levels of debt relief, which have reached up to 90%.\textsuperscript{122} To date, the Paris Club has concluded 433 agreements with 90 states concerning debt of $583 billion.\textsuperscript{123} In 2007, the combined share of World Bank, IMF, AfDB, and Paris Club States of LIDC’s total external debt was 66%, with the rest being held by non-Paris Club states, foreign commercial creditors, and domestic creditors such as banks.\textsuperscript{124} Through the various debt relief initiatives, this share dropped to 32% in 2016, which limits the scope of debt relief through these actors.\textsuperscript{125} The remaining external debt is now held by non-traditional creditors such as non-Paris Club states, foreign commercial creditors, and domestic creditors such as banks.\textsuperscript{126} Thus, meetings of the Paris Club have also dwindled and the latest debt relief agreement was concluded in 2015.\textsuperscript{127}

New regional development banks such as the China Asian Infrastructure Investment Bank and the New Development Bank, which was established by the BRICS States (Brazil, Russia, India, China, and South Africa) as well as national development banks of emerging countries have in recent years increased their

\textsuperscript{112} IMF, *Debt Relief Under the Heavily Indebted Poor Countries (HIPC) Initiative*, 2018.
\textsuperscript{113} Ibid.
\textsuperscript{114} IMF, *The IMF and the World Bank – How Do They Differ?*
\textsuperscript{115} IMF, *Debt Relief Under the Heavily Indebted Poor Countries (HIPC) Initiative*, 2018.
\textsuperscript{116} Ibid.
\textsuperscript{117} IMF, *Heavily Indebted Poor Countries (HIPC) Initiative and Multilateral Debt Relief Initiative (MDRI) – Statistical Update*, 2017, pp. 6-8.
\textsuperscript{118} Ibid.
\textsuperscript{119} IMF, *The Multilateral Debt Relief Initiative*, 2015.
\textsuperscript{121} Paris Club, *Club de Paris – Paris Club*.
\textsuperscript{122} Paris Club, *Historical Development*.
\textsuperscript{123} Paris Club, *Club de Paris – Paris Club*.
\textsuperscript{125} Ibid., p. 51.
\textsuperscript{126} Ibid., p. 33.
\textsuperscript{127} Paris Club, *Agreements Concluded With Paris Club*. 
lending to developing countries. These new development banks tend to be more flexible in their lending, provide higher loan-to-equity ratios, and demand fewer political qualifications.

**Current Challenges of External Debt**

**Non-Paris Club and foreign private creditors**

In the recent decade, the composition of developing countries’ external debt has changed significantly and the share of non-Paris Club bilateral official creditors and foreign private creditors of LIDC’s external debt has increased from 34% in 2007 to 68% in 2016. China alone has increased its share from less than 1% to about 11%. The loans provided by these creditors have typically higher interest rates and shorter contract lengths than those of traditional lenders, which increase the risk of debt distress because developing countries have to refinance their debt quicker and could be overburdened by rising debt service costs. This change also made debt resolution more difficult because these new creditors are not part of a creditor coordination mechanism such as the Paris Club that could negotiate coordinated debt relief. Since 2013, the Paris Club hosts the Paris Forum, which aims to increase the involvement of non-Paris Club creditor states in international debates on sovereign financing and the prevention of sovereign debt crises. However, the Paris Forum has not yet resulted in concrete debt relief measures.

Meanwhile, the foreign private sector creditors have become very diverse and include private bondholders, banks, and commodity traders, which may have a lower acceptance for debt relief. Among these private sector creditors are often hedge funds that buy up debt of countries in debt distress at discounts and then try to enforce a legal settlement. One recent example for this is Argentina, which defaulted on $132 billion in loans during its devastating depression in 2001. Unable to pay its creditors, Argentina negotiated a deal with its creditors to discount its bonds by two-thirds and pay back more if the country’s economy recovered. However, two hedge funds that held 7% of bonds opposed the deal to maximize their profits and thus prevented Argentina to fulfill the deal with the majority of the bondholders and escape its debt crisis. Eventually, a US court forced Argentina to pay the minority bondholders in full, who made a total return of 1,180% on their investments. To reduce the risk of becoming vulnerable to such holdout creditors, many sovereign bond contracts now include collective action clauses, which enable a majority of bondholders to override the veto of those who vote against a debt restructuring.

**Private sector debt**

Another major concern is the increase in both external debt and debt service ratios of private sector actors such as companies and households in developing countries. This raises the threat of a debt trap for developing countries; should global economic conditions worsen, many of these indebted private actors might become insolvent, which would lay heavy additional burdens on state budgets since bailout

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129 Ibid.
131 Ibid.
132 Ibid.
133 Ibid.
135 Ibid.
139 Ibid.
140 Ibid.
141 Ibid.
payments might be needed at a time when foreign funding would be scarce. To reduce this threat, in 2017 the General Assembly has advised national governments in resolution 72/204 to implement stricter rules and safeguards on their debt markets.

New and risky methods of financing
The General Assembly also warned in the same resolution about the challenge of the growing use of new debt financing instruments and approaches. For example, developing countries are increasingly receiving financing from commercial creditors in form of risky debt instruments such as Eurobonds, which are bonds issued in other currencies, and syndicated loans that are provided by a group of lenders instead of a single lender. Bonds denominated in foreign currency become increasingly expensive should the exchange rate depreciate and syndicated loans make debt restructuring very difficult because of the large number of creditors involved. One way to reduce the risks of financing for developing countries is to issue sovereign bonds in domestic currency under national laws. Moreover, the share of short-term debt (which has to be repaid within a year or less) in total external debt of developing countries has increased from 21% in 2009 to 25% in 2016. High levels of short-term debt carry the risk of creating speculative bubbles; if the economy worsens, creditors will withdraw their investment and leave developing countries in urgent needs for liquidity, thus exacerbating the crisis further.

Innovations to Increase External Debt Sustainability

State-contingent debt instruments
One potential way to increase external debt sustainability are state-contingent debt instruments (SCDIs), whose payoffs are contractually linked to a variable (such as GDP or inflation) or a trigger event (such as a natural disaster or health epidemic). In case the GDP of the country drops significantly or a natural disaster occurs, the adjustment mechanisms of SCDIs will automatically reduce or defer debt payments. In 2014, the IMF and Paris Club concluded a debt restructuring agreement with Grenada, which included the first-ever “hurricane clause.” Grenada was still affected by the damages caused by Hurricane Ivan in 2004, which were equivalent to 200% of GDP, and a massive rise in external debt. This new “hurricane clause” is triggered should a hurricane of a specified strength hit Grenada and would automatically defer debt payments for 12 months to provide the country with enough cash flow in this critical period.

Debt swaps
Another innovative financial instrument to help highly indebted developing countries are debt swaps, such as debt-to-health and debt-to-nature swaps. Such a debt swap is a voluntary transaction in which the donor cancels the debt owed by the developing country in exchange for a commitment by the developing country to use the released resources for a specified purpose.

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145 Ibid., p. 9.
146 Ibid., p. 3.
148 Ibid., p. 50.
151 Ibid., p. 2.
152 Ibid., p. 9.
155 Ibid., p. 9.
156 Ibid., p. 25.
country to invest the savings in public health or nature conservation projects. In 2016, the Economic Commission for Latin America and the Caribbean (ECLAC) has presented the Debt Swap Initiative, in which the Green Climate Fund would purchase external debt of Caribbean countries at discounts and channel the debt to a Caribbean resilience fund. The thereby freed national funds from the participating debtor countries would then be invested in selected climate adaptation projects. The debt restructuring agreement that the IMF and Paris Club concluded with Grenada enables debt swaps on a voluntary and bilateral basis, according to which each participating creditor country may sell loans and credits in exchange for investments into environmental or health measures. Such debt swaps not only reduce the external debt burden of developing countries but also help achieving the SDGs.

Promoting responsible financing through “soft law”

Another policy focus of the international community has been the promotion of “soft law” principles to encourage responsible sovereign lending and borrowing. Such principles have the potential to increase the developmental impact of sovereign borrowing while reducing its risks and costs, by setting standards for the constructive behavior of actors participating in sovereign lending and borrowing. One example of such “soft law” instruments is the Basic Principles on Sovereign Debt Restructuring Processes, adopted by the General Assembly in 2015 in its resolution 69/319. However, “soft law” is not legally enforceable and can only work through incentives such as naming and shaming, peer reviews, or use of standardized clauses, none of which yet exist for responsible financing principles. To enhance the effective implementation of responsible financing principles, they could be incorporated into clauses for sovereign debt bonds, they could be adopted by national legislations, and they could be taken into consideration by domestic courts or arbitral tribunals in their own actions and decision making.

Conclusion

There are numerous new and emerging challenges and vulnerabilities in regard to developing country external debt sustainability such as the changes in the structure of overall debt composition, changes from long-term to short-term debt, the increasing diversity in creditors, the rise of private sector debt, and the growing use of new and risky debt financing instruments. However, there are many innovative proposals to meet these challenges, including SCDI, debt swaps, and principles of responsible borrowing and lending. The international community must explore new ways of ensuring external debt sustainability and provide developing countries with the vast financial resources they need to implement the 2030 Agenda.

Further Research

Moving forward, delegates should explore innovative ways to answer questions such as: what can be done to expand the existing debt relief initiatives and include non-Paris Club and private sector creditors? How can the cooperation between debtors and creditors be improved and the principles of responsible borrowing and lending be effectively incorporated into sovereign debt bonds?

159 ECLAC, ECLAC establishes task force for Caribbean’s Debt Swap Initiative, 2017.
161 Paris Club, Grenada debt treatment, 2015.
164 Ibid.
166 Ibid.
168 UN General Assembly, External Debt Sustainability and Development (A/RES/72/204), 2017, p. 3.
169 Ibid., pp. 4-6.
borrowing and lending be strengthened? Is it reasonable to reduce the ability of non-cooperative minority bondholders to prevent a restructuring of a debt-crisis country’s obligations despite agreement by a majority of bondholders? Are new and risky financing methods such as debt instruments with very short repayment times a threat to highly indebted developing countries that should be stopped? How can developing countries that are vulnerable to external shocks such as natural disasters or epidemics be protected from debt crises?

Annotated Bibliography


This IMF Working Paper documents the two debt restructurings that Grenada undertook in 2004-06 and 2013-15. Both restructurings emerged as a consequence of weak fiscal and debt situations, which became unsustainable soon after devastating hurricanes hit the island economy. The paper is insightful for delegates who want to understand why developing countries experience debt distress, how debt restructuring is being done in practice and what the outcomes of this restructuring are. The case of Grenada is particularly interesting for delegates because the second restructuring in 2013-15 includes the first-ever “hurricane clause”, a state-contingent debt instrument, which is supposed to increase the sustainability of Grenada’s external debt. The paper is also interesting due to the comparison between the first and second restructuring and the lessons learned chapter.


This IMF Policy Paper analyzes in detail macroeconomic developments and prospects in LIDCs. Chapter 2 examines rising debt vulnerabilities and includes several facts on debt accumulation in recent years and the evolution of debt vulnerabilities. The paper gained widespread attention for its finding that the share of LIDCs that face significant debt-related challenges is now at around 40%, up from 21% in 2013. Delegates will find this paper especially useful to understand the changing composition of public debt toward non-Paris Club and private foreign creditors as well as the problem of data unavailability and lack of transparency.


This article, which was published by three IMF researchers, investigates at which levels external debt becomes unsustainable. It starts with a historical overview of sovereign debt crises and argues that external debt crises are a remarkably pervasive and enduring phenomenon. They also summarize the reasons why countries accumulate unsustainable levels of external debt. The authors show that this level depends on the individual economic and fiscal situation of each country and also on its default and inflation history. They argue that “safe” external debt-to-GNP thresholds for particularly vulnerable countries are low, perhaps as low as 15% in some cases. Delegates should read this article to better understand the various variables that impact a country’s ability to sustain certain external debt levels.


The eleventh session of the UNCTAD International Debt Management Conferences was held in 2017 and provided a forum for sharing experiences and exchanging views between governments, international organizations, academia, the private sector, and civil society. On this website, delegates may find more than 20 presentations of leading
academics that were prepared for the panel discussions at the conference. These presentations cover basic questions such as "When is a debt sustainable?" and discuss innovative ideas to increase the sustainability of external debt such as SCDI and the role of "soft law" in promoting sustainable lending and borrowing practice. Delegates will especially benefit from reading these presentations as they represent the opinion of leading experts on the topic.


This report, which was prepared by the Inter-agency Task Force on Financing for Development (IATF), summarizes the progress toward achievement of the SDGs. Chapter III.E is devoted to debt and debt sustainability. This chapter contains insightful analysis of debt trends and threats. It also includes a comprehensive list of the key messages and recommendations of the IATF. This report is noteworthy for its information about debt swaps and SCDI, which could prevent natural disasters from causing external debt levels becoming unsustainable. It also explores new ways of restructuring sovereign debt and investigates the role of private creditor involvement. The document will help delegates to better understand the link between the SDGs and the topic of external debt sustainability.


The Addis Ababa Action Agenda is a groundbreaking agreement, which supports the implementation of the 2030 Agenda for Sustainable Development with concrete policies and actions. Subchapter E deals with debt and debt sustainability contains a very comprehensive list of concrete proposals. The actions proposed include ways to improve monitoring and data assessment, enhance the cooperation between creditors and debtors, reduce the vulnerability of countries against non-cooperative minority bondholders, and help countries that experience severe natural disasters or other shocks. Delegates should read this landmark document to understand the commitments already done by the international community and find ways to build upon them and implement them.


The UN General Assembly has established in this resolution a set of nine basic principles on sovereign debt restructuring processes. This resolution states that sovereign debt restructuring processes should be guided by customary law and by basic international principles of law, such as sovereignty, good faith, transparency, legitimacy, equitable treatment and sustainability. The resolution is an important step in creating soft law on debt restructuring processes. Delegates should have this resolution in mind when they are discussing responsibilities of both debtors and creditors.


This is the latest resolution of the UN General Assembly pertaining to the topic of external debt sustainability and development. In this resolution, the General Assembly takes note of the new and emerging challenges in this area as well as innovative solutions to the problems at hand. It stresses the necessity to improve data collection, expand existing debt relief initiatives, cooperation between debtors and creditors to resolve debt crises, of more lenience of creditors for developing countries affected by natural disasters, as well as a reduction of the ability of non-cooperative minority bondholders to prevent efficient
Debt restructuring. Delegates should pay particular attention to this document because it provides an excellent example of how General Assembly resolutions are typically structured, which language they use, and which information they contain.


This is the latest report of the Secretary-General on the topic of external debt sustainability and development. It contains a rich collection of statistics about international debt and detailed analysis of current trends in debt financing. The report places an emphasis on the role of private debt. It also outlines current international policy initiatives such as SCDI, principles of responsible borrowing and lending, debt management, and new ways of development financing. It concludes that more must be done to alleviate the debt burdens of developing countries to ensure the implementation of the 2030 Agenda for Sustainable Development. Delegates will find it interesting to read the perspective of the Secretary-General on those aspects of external debt sustainability that are at the center of the current debate.


This report of the World Bank contains in the first part an overview of current trends in debt stocks, debt flows, and equity flows. It also shows that non-traditional lenders drive the surge in flows from official creditors. In part two, this results provides tables, which show the external debt stock and various indicators such as external debt to GDP and external debt service to exports for all developing countries and economies in transition. Thus, this report might be interesting for delegates to learn more about the external debt situation of the country that they are representing. At the end of the report, delegates may find a comprehensive glossary, which explains all relevant terms such as concessional debt, grace periods, maturity, and IMF credit.

**Bibliography**


II. Facilitating Knowledge Transfer for Sustainable Development

“Knowledge is power. Information is liberating. Education is the premise of progress, in every society, in every family.”

Introduction

Sustainable development is defined as the ability to meet the needs of current and future generations through development without hindering the progress of the present and its needs. Information and communications technology (ICTs) are key to knowledge sharing for development, but global populations experience different rates of access to technology and knowledge resources. Economic, political, and social inequalities create barriers for the consumption of knowledge. The effective transfer of knowledge can empower societies by strengthening independent decision-making abilities, advancing collaboration between Member States, and facilitating capacity building. Knowledge transfer is defined as the transfer of expertise, information, and skills across or within various sectors such as agriculture, security, transport or humanitarian efforts. ICTs include communication mediums that have the ability to record and transmit information, which facilitates socio-economic cooperation and learning. Successful knowledge transfer supports principles of Sustainable Development Goal (SDG) 17 on partnerships for the goals. The General Assembly Second Committee supports knowledge transfers for economic growth and sustainable development.

International and Regional Framework

The successful dissemination of knowledge requires an environment that promotes education and innovation, with the right to education long being enshrined by the international community. The International Covenant on Economic, Social and Cultural Rights (ICESCR) (1966) specifically highlights the importance of fundamental human rights as it pertains to international economic growth and development. Of the many rights enshrined in the ICESCR, Article 13 of the Covenant defines that education is both an indispensable right, as well as a tool that helps attain other fundamental rights. The framework aims to promote equal access to education, including primary, secondary, and higher education. As the pace of innovation has continued to increase exponentially, the important role that technology and knowledge transfer play have been seen as vitally important to trade and development. The World Summit for Social Development (WSSD), held in 1995, recognized that new forms and approaches of information technologies could aid in fulfilling social development goals. The outcome document, the Copenhagen Declaration on Social Development and Programme of Action of the World Summit for Social Development, calls for improving access to technology, and drew the parallel of how access to knowledge serves as the catalyst for innovation and positively attributes to economic growth and general well-being.

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173 UN General Assembly, Information and Communications Technologies Integrally Tied to Sustainable Development, Speakers Say at Second Committee Debate, 2016.
174 UNDP, Goal 10: Reduced Inequalities, 2018.
177 UN DESA, Division for Sustainable Development Goals: Technology, 2015.
180 UN General Assembly, Economic and Financial Committee (Second Committee), 2017.
182 Ibid.
183 Ibid.
185 Ibid.
186 Ibid.
The ideas of technological innovation and its related transfer was further emphasized in the *Doha Mandate* which served as the conclusion of the United Nations Conference on Trade and Development (UNCTAD) XIII.\(^{187}\) The Mandate recognizes the importance of science, technology, and innovation (STI) for trade and development.\(^{188}\) Additionally, the Mandate acknowledges that the creation of physical and soft infrastructure in developing countries fosters development and that the diffusion of technology can provide new opportunities for business and investment.\(^{189}\) The Mandate also underscores the need for continued partnership between Member States and various stakeholders, especially within areas of international trade, finance and development.\(^{190}\)

With the expiration of the Millennium Development Goals (MDGs), the international community in 2015 created and updated new targets for sustainable development known as the *2030 Agenda for Sustainable Development* (2030 Agenda).\(^{191}\) Outlined in the 2030 Agenda, the 17 SDGs aim to achieve the three pillars of development which include: inclusive economic growth, social integration, and environmental sustainability.\(^{192}\) The attainment of all 17 SDGs hinges on the effective utilization and facilitation of knowledge transfer.\(^{193}\) For example, SDG 7 promotes the access to affordable, reliable, and sustainable modern energy for all, which includes increasing reliance on clean fuel sources and technology, investing in renewable energy sources, and improving energy efficiency.\(^{194}\) SDG 9 focuses on the building of resilient infrastructure and sustainable industrialization and fostering innovation, which includes targets for building reliable transportation infrastructure, enhancing scientific and technological research, and promoting technological development.\(^{195}\) SDG 17 affirms the idea of continued global partnership in attaining the SDGs.\(^{196}\) All of these ideals set within the SDGs inherently require the international community to share ideas and best practices surrounding STI in order to achieve sustainable development.\(^{197}\) Paragraph 70 of the 2030 Agenda created the Technology Facilitation Mechanism (TFM).\(^{198}\) TFM serves as a platform of facilitating collaboration and partnerships with a variety of stakeholders through the sharing of a experiences, information, policy and best practices between the UN system, civil society and the Member States.\(^{199}\) The result of such a mechanism led to the creation of the Interagency Task Team on Science, Technology, and Innovation for the SDGs, a multi-stakeholder forum on STIs and an online platform related to pre-existing STI programs and policies.\(^{200}\)

**Role of the International System**

The international community has been working on creating knowledge transfer and management infrastructures under the guidelines of the SDGs and other international blueprints.\(^{201}\) The General Assembly’s Second Committee has worked on various areas of knowledge transfer and development that include areas such as ICTs, STIs, and education.\(^{202}\) The General Assembly frequently considers resolutions on science, technology, and development upon the recommendation of the Second

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\(^{188}\) UNCTAD, *Doha Mandate*, 2012.

\(^{189}\) Ibid.

\(^{190}\) Ibid.

\(^{191}\) UN General Assembly, *Transforming our world: the 2030 Agenda for Sustainable Development (A/RES/70/1)*, 2015.

\(^{192}\) Ibid.

\(^{193}\) Ibid.

\(^{194}\) Ibid.

\(^{195}\) Ibid.

\(^{196}\) Ibid.


\(^{199}\) Ibid.

\(^{200}\) Ibid.

\(^{201}\) Ibid.

\(^{202}\) UN General Assembly, *Economic and Financial Committee (Second Committee): Documentation for the 72nd Session*, 2018.
Committee.\textsuperscript{203} General Assembly resolution 70/213 of 2015 on “science, technology and innovation for development” recognized the importance technology plays in the pursuit of sustainable development.\textsuperscript{204} Additionally, the resolution called for supporting efforts of developing countries to harness new technologies in areas such as agriculture and renewable energy, and continued partnership between UN agencies, civil society organizations and Member States support the various aspects of STIs and development.\textsuperscript{205} General Assembly resolution 71/251 of 2016 further recognized the importance of sharing knowledge and technology with the developing world by calling for the establishment of a technology bank for the LDC.\textsuperscript{206} Under the General Assembly proposal, the bank will be a subsidiary organ of the General Assembly that is supported through the voluntary efforts of Member States and various private stakeholders.\textsuperscript{207}

The United Nations Development Programme (UNDP) serves as the largest partner in technical development and assistance for the Knowledge Management (KM) Framework, which helps centralize knowledge management efforts across the UN system.\textsuperscript{208} The framework identifies several objectives for UNDP, including inclusive and sustainable development, strengthened governance systems, gender equity, and responsive recovery efforts in post-conflict and post-disaster areas.\textsuperscript{209} The framework also notes several challenges that are being faced in the area of KM, including the prevalence of incompatible approaches for capturing, aggregating, and reporting data across stakeholders.\textsuperscript{210}

Other UN entities have also aided in the transfer of knowledge, including the World Intellectual Property Organization (WIPO) which supports the transfer of knowledge and information through technical assistance programs, patent information services, and dispute mediation.\textsuperscript{211} WIPO has also created technology and innovation support centers (TISCs) that assist individuals and organizations in the developing world with high quality, locally sourced technology information as well as intellectual property services.\textsuperscript{212} Additionally, WIPO has placed a special focus on including gender-responsive perspectives within its policy-making frameworks in order to implement knowledge transfer for sustainable development.\textsuperscript{213}

Civil society organizations (CSOs) have also played a very large role in the various facets of knowledge transfer and sustainable development.\textsuperscript{214} For example, the International Environmental Technology Centre (IETC) uses its resources and skills to promote capacity building for collaboration across multiple sectors of the economy.\textsuperscript{215} One of the initiatives monitored by the IETC is the Waste for Sustainable Development (WSD) Asia-Pacific University Consortium, which aims at capacity building between countries in the Asia-Pacific region and other regional stakeholders to sustainably waste manage through the consortium.\textsuperscript{216} Another organization, 4TU Ethics, is responsible for generating and maintaining partnerships within civil societies in order for successful technology transfer and knowledge sharing, while simultaneously addressing the ethical impacts of technology in society.\textsuperscript{217}

\textsuperscript{204} Ibid.
\textsuperscript{205} Ibid.
\textsuperscript{206} UN General Assembly, \textit{Establishment of the Technology Bank for the Least Developed Countries (A/RES/71/251)}, 2016.
\textsuperscript{207} Ibid.
\textsuperscript{209} Ibid.
\textsuperscript{210} Ibid.
\textsuperscript{211} WIPO, \textit{Supporting Technology and Knowledge Transfer}, 2018.
\textsuperscript{212} WIPO, \textit{Technology and Innovation Support Centers}, 2018.
\textsuperscript{213} WIPO, \textit{WIPO Policy on Gender Equality}, 2014.
\textsuperscript{214} UN Sustainable Development Knowledge Platform, \textit{Partnerships for Sustainable Development Goals}, 2015
\textsuperscript{215} UN Environment, \textit{International Environmental Technology Center}, 2018.
\textsuperscript{216} Asia Institute of Technology, \textit{Waste for Sustainable Development (WSD) – Asia Pacific University Consortium}, 2018.
\textsuperscript{217} 4TU Centre for Ethics and Technology, \textit{Civil Society Organizations}, 2018.
Increasing Access and Participation of Women

Sustainable development is directly dependent on the status of women, who play a key role in the process of knowledge transfer.218 Equipping women to access and share knowledge can help them make better domestic, financial, and social choices which in turn benefit their communities; UNDP has consistently found that empowering women through ICTs helps the international system eradicate poverty, provide better nutrition, and increase standards of living.219 Increasing access to and participation in knowledge transfer for child-bearing women also contributes to lower levels of childhood mortality.220

The General Assembly also shows its continued support by the United Nations Entity for Gender and Equality and the Empowerment of Women (UN-Women) has worked on innovation and technology projects that have focused on big data and gender equality.221 In 2018, UN Global Pulse and UN-Women published Gender Equality and Big Data: Making Gender Data Visible, which emphasizes that gender disaggregation in big data projects improve the measurement of indicators for SDG 5.222 Therefore, the Second Committee must work toward increasing opportunities for equal access and the participation of women in the process of knowledge transfer, which can be achieved through the use of ICTs in the form of big data collection and production.223

UN-Women has actively prioritized supporting gender-responsive advocacy, policy, and programming around ICTs for development by building a coalition of advocates and engaging in the World Summit on the Information Society (WSIS).224 Through its various programs, UN-Women helps women and girls obtain education and set up sustainable business enterprises.225 In several states, women’s education has often been under prioritized or underfunded.226 General Assembly resolution 72/219 of 2015 highlights the importance of gender perspectives for the increase in access and participation of women in technology transfer and sustainability by encouraging countries to harness frameworks that create a more inclusive and effective system of collaboration among its members.227

Technology Transfer for Sustainable Development

ICTs also play a key role in providing knowledge to societies and contributing to the diversity of free and publicly available knowledge.228 UNCTAD’s 2018 Technology and Innovation Report highlights that entities such as the Internet, big data, forecasting, and data ownership are essential in the protection of rights of citizens and in the creation of opportunities in an economy.229 According to the United Nations Department of Economic and Social Affairs (UN DESA), technology transfer has the ability to be the key motivator of social and economic development across the world; however, not all countries have access to these technologies, or the resources to effectively maintain or process this technological transfer.230 The concept of technology transfer in itself can be defined as the process of conceiving a new application

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219 MDG Achievement Fund, Knowledge Management Strategy on Gender Equality and Women’s Empowerment, 2018.
221 UN-Women, UN Women’s Innovation and Technology Projects, 2018.
222 UN-Women, Gender Equality and Big Data: Making Gender Data Visible, 2018.
223 UN General Assembly, Women in Development (A/RES/70/219), 2015.
225 UN DESA, Information and Communication Technologies and their Impact on and Use as an Instrument for the Advancement and Empowerment of Women, 2002.
226 UN-Women, Gender Differences in Poverty and Household Composition Through the Life Cycle, 2018.
for an already existing technology and is a means of creating economic development through the presence of intense research.\textsuperscript{231}

There are several challenges with regards to sustainable technology transfer as well.\textsuperscript{232} Several developing countries lack resources in order to successfully aid the implementation of technology transfer.\textsuperscript{233} This is where the need for cooperation, partnership, and facilitation is required in order for resources to be appropriately shared for the purpose of technology transfer.\textsuperscript{234} General Assembly resolution 72/228 of 2017 recognizes the importance of policy implementation in order for fields such as science, innovation, and technology to reinforce the ability to produce easier and more efficient access to knowledge.\textsuperscript{235} The General Assembly also recognizes the need for cooperation, facilitation and innovation mechanism in order to successfully support data transfer through frameworks and strategies outlined in General Assembly resolution 68/220 of 2013.\textsuperscript{236} Data transfer can help enhance the quality of education, management and information systems that a country possesses, which are detrimental to achieving the 2030 Agenda.\textsuperscript{237}

**Improving UN Interagency Within Civil Society**

Through government and civil society support, new sources of knowledge and markets can be opened up for transfer and sharing.\textsuperscript{238} Information systems and knowledge sharing platforms help unite various stakeholders within a community to formulate mutual benefits with civil society.\textsuperscript{239} The formation and maintenance of partnerships between various agents within civil society may also cause a high level of dependency as a result of which, the outcome of the main purpose of collaboration is affected.\textsuperscript{240} The Global Philanthropy Leadership Initiative, WIDE network, and Other Open Governmental Partnership with the UNDP and several states have led to more discussion on the need for improving communication systems as there are necessary channels for knowledge and information sharing.\textsuperscript{241} UNDP’s presence at these negotiations is important in order for there to be correct representation between agencies and civil society.\textsuperscript{242} Better and smarter societies can be created through active collaboration between stakeholders on multiple levels and in different forums of development.\textsuperscript{243} The creation of such knowledge platforms can support innovation and facilitate knowledge services across the private and public sectors.\textsuperscript{244} Active engagement within civil society agents will allow for the collaborative transfer of ideas where more knowledge is being shared and received.\textsuperscript{245}

**Conclusion**

While the primary focus of the General Assembly is to ensure economic growth and development, it is essential that all stakeholders be able to protect the common environment.\textsuperscript{246} It is imperative that Member States work in unison to exchange and pool in resources in order to recognize the importance and work toward attaining methods of knowledge transfer for sustainable development.\textsuperscript{247} Under the momentum

\textsuperscript{231} Srinivas, *Technology Transfer for Sustainable Development*, 2015.
\textsuperscript{234} Ibid.
\textsuperscript{237} Ibid.
\textsuperscript{241} Ibid.
\textsuperscript{242} Ibid.
\textsuperscript{244} Ibid.
\textsuperscript{247} UN General Assembly, *Agricultural Technology for Sustainable Development (A/RES/70/198)*, 2015.
the international community has established since the adoption of the SDGs, it is hopeful that a more sustainable future can be delivered for all through intensified efforts in knowledge transfer.

**Further Research**

Delegates may begin their research by considering the following questions: How can multilateral partnerships develop long-term sustainable methods of knowledge transfer? How can the Second Committee better support the efforts of Member States and civil society in sharing best practices for the SDGs? What political, economic, and social barriers to knowledge transfer is the Second Committee well-positioned to address?

**Annotated Bibliography**


The Agenda Knowledge for Development is a framework for strengthening the 2030 Agenda. Delegates can get a larger focus when discussing challenges and barriers with regards to sustainable knowledge transfer through the use of this document. By strengthening knowledge partnerships and existing frameworks, information and communication technologies can be accessible to all, leading to global development.


This report explores the progress of technology and how it acts as an enabler in knowledge sharing and development. The nature of information technology is radically changing, progressing more toward a more globally-connected and integrated society. The paper further explores the vision of the information society by tracking progress in individual countries, and even drawing comparisons among various information societies. This resource can help delegates understand some of the ICTs factors that relate to the topic.


This publication talks in depth about the initiatives regarding the transfer of technology and knowledge sharing for development in the context of developing countries. It focuses on the convergence between knowledge sharing and innovation systems. Some countries may lack official practices for knowledge sharing, therefore, this guide allows in understandings ways and means by which these frameworks and actions can be established. Delegates can utilize this source in order to understand the connection between international trade and development in the context of knowledge.


This document highlights the means by which technology aids in knowledge transfer for the development of the role of science and innovation. Knowledge from data transfers can be successfully used in order to combat food insecurity, by establishing frameworks that would be implemented in various counties. This report is comprehensive in nature and seeks to create an overview of various technologies and innovations that stakeholders have partnered and utilized. Delegates will gain a better understanding with what the international system has done in this area of knowledge transfer.

This report by UNDP focuses on the importance of strengthening the engagement of civil society and civic engagement. In this context, the document also talks about how knowledge transfer can be used to create opportunities for partnership in various fields of gender equality, national ownership and capacity development. Delegates can gain focus on creating different frameworks or establish ways for civic engagement to promote human development and multilateralism.


This report by UNDP specifically addressing some of the KM components of the topic, especially with the UN. The report also discusses, various goals and challenges that UNDP has recognized in the aspiration of capitalizing on various aspects of knowledge sharing and management. Delegates can utilize this source to understand how the UN has been working on improving its interagency capacities as well as understand specific best practices and challenges that organization has faced in regards to the topic.


The topic of knowledge transfer in the context of sustainable development commands that delegates understand the various SDGs and their targets. The resolution that the international community unanimously passed, serves as a basic foundation that delegates will need to understand so that the topics discussed and the solutions presented tangibly address the various SDGs. Delegates should review the SDGs, and understand the role of SDGs, knowledge transfer in the perspective of the Second Committee.


Science, technology and innovation for development is a perennial topic that the General Assembly Second Committee discusses and creates a resolution for. This resource can help delegates understand how Member States address the ideas of knowledge transfer, as well as understand what has already been discussed about the topic, as well as what has been implemented. Additionally, the resolution also recalls key international events, documents and frameworks that may guide delegates in their research regarding the topic.


This document provides perspective on how ICTs are technologically enhancing the quality and longevity of knowledge sharing through their high levels of efficiency. It highlights the gap between developing and developed communities. Delegates will understand that while incomes are increasing, inequalities are also rising at a faster rate. This report also establishes the contributions of the International Telecommunication Union. Delegates can utilize this source as a way to better understand the steps that have already been taken regarding this topic under the context of development.

This document reflects a legacy review toward realizing the 2030 Agenda. It highlights the importance of global and multilateral partnerships and their necessity in trying to achieve the SDGs. It illustrates a history of involvement across the General Assembly, ECOSOC, High-Level Forum for Economic Development and other integral knowledge sharing and measuring mechanisms. The report reinforces Article 71 of the Charter of the United Nations, which promotes multi-stakeholder partnerships and talks about the importance of their implementation. Delegates will see various programs and actions that are being undertaken to achieve all the SDGs, which include specific links related to know knowledge and technology transfer initiatives.

Bibliography


III. Ensuring Access to Affordable, Reliable, Sustainable, and Modern Energy for All

Introduction

Affordable, reliable, sustainable, and modern energy sources for the global population support economic growth, climate change mitigation, and humane standards of living for all.\(^{248}\) With the Sustainable Development Goals (SDGs) at the forefront of the UN agenda, achieving SDG 7 is a priority for the Second Committee of the General Assembly.\(^{249}\) 1.06 billion people still lack access to electricity, particularly in rural areas and in Sub-Saharan Africa.\(^{250}\) Additionally, more than three billion people do not have access to clean fuels for household use.\(^{251}\) Lack of access to energy affects all aspects of life, and has serious economic, social, environmental, and health implications.\(^{252}\)

Achieving SDG 7 will have positive effects on many aspects of human development and contribute to all SDGs.\(^{253}\) To achieve SDG 7, energy sources must be affordable at varying income levels.\(^{254}\) In spite of growing resource scarcity, renewable energy makes up less than 20% of global energy use.\(^{255}\) The resources available within a Member State influence decisions to use renewable energy or more affordable options, such as fossil or biomass fuels.\(^{256}\) Under SDG 7, energy sources must also be reliable; currently, 20% of the world’s population lacks access to reliable power sources.\(^{257}\) Power outages are common among developing states, negatively affecting all aspects of life including communication and transportation systems as well as basic human needs such as cooking and heating.\(^{258}\) With projected surges in population growth worldwide, per-capita demand for energy will increase, and so energy supplies must be sustainable.\(^{259}\) Moreover, energy supplies must be environmentally friendly to counter the recent effects of climate change and environmental degradation.\(^{260}\) This means that resources that might be low-cost and in abundance should be substituted with efficient options with lower carbon emissions.\(^{261}\) Energy supplies also need to be modern, because traditional fuel sources expose users to hazardous emissions and create additional burdens for women and children who must gather wood, coal, and biomass fuels.\(^{262}\)

Governments, multilateral agencies, development banks, climate funds, and private actors currently allocate around $500 billion per year to the work of SDG 7.\(^{263}\) However, the projected actual financing needed to achieve SDG 7 by 2030 is around $1.2 trillion per year.\(^{264}\) This investment is not equally distributed between developed and developing countries.\(^{265}\)

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\(^{248}\) Wu & Wu, Goal 7 — Ensure Access to Affordable, Reliable, Sustainable and Modern Energy for All, 2015, p. 1.

\(^{249}\) Ibid., p. 1.

\(^{250}\) Ibid., p. 1.

\(^{251}\) Ibid., p. 2.

\(^{252}\) UN DESA, Sustainable Development Knowledge Platform, 2017.

\(^{253}\) UN HLPF, Accelerating SDG 7 Achievement: Policy Briefs in Support of the first SDG 7 Review at the UN High-Level Political Forum, 2018, pp. 103-135.

\(^{254}\) Wu & Wu, Goal 7 — Ensure Access to Affordable, Reliable, Sustainable and Modern Energy for All, 2015, p. 2.

\(^{255}\) Ibid., p. 2.

\(^{256}\) Ibid., p. 2.

\(^{257}\) UN DESA, Sustainable Development Knowledge Platform, 2017.

\(^{258}\) Wu & Wu, Goal 7 — Ensure Access to Affordable, Reliable, Sustainable and Modern Energy for All, 2015, p. 1.

\(^{259}\) Ibid., p. 2.

\(^{260}\) Ibid., p. 1.

\(^{261}\) UN DESA, Sustainable Development Knowledge Platform, 2017.


\(^{263}\) UN HLPF, Policy Brief #5 – Financing SDG 7, 2018, p. 3.

\(^{264}\) UN HLPF, 2018 HLPF Review of SDG implementation: SDG 7, 2018, p. 4.

\(^{265}\) Ibid., p. 4.
**International and Regional Framework**

Access to sustainable energy was first addressed during the Rio Earth Summit of the UN Conference on Environment and Development (UNCED) in 1992, which produced the *Rio Declaration on Environment and Development* and deemed environmental protection and the achievement of sustainable development to be an international responsibility. \(^{266}\) Acknowledging that a change in unsustainable global production and consumption was necessary, delegates produced *Agenda 21* as an action plan with implementation principles and agreements for future development. \(^{267}\) Building upon *Agenda 21*, the Millennium Summit was held in 2000, during which the *United Nations Millennium Declaration* was adopted, outlining eight international development goals. \(^{268}\) These included Millennium Development Goal (MDG) 1 on Poverty Eradication and MDG 7 on Ensuring Environmental Sustainability. \(^{269}\) The role of energy in achieving these goals and spurring development was highlighted in the framework. \(^{270}\)

In 2002, the *Johannesburg Plan of Implementation* was agreed upon during the World Summit on Sustainable Development, which reaffirmed the three pillars of sustainable development: economic development, social development, and environmental protection. \(^{271}\) It also stressed the importance of international cooperation and multilateralism in moving forward. \(^{272}\) The impact of energy on eradicating poverty was also addressed with commitments to "improve access to reliable, affordable, economically viable, socially acceptable and environmentally sound energy services and resources." \(^{273}\) The UN Conference on Sustainable Development (Rio+20), held in 2012, acknowledged that the MDGs were not entirely met and agreed on a framework to build upon the MDGs. \(^{274}\) In 2015, the *2030 Agenda for Sustainable Development* (2030 Agenda) was adopted to succeed the MDGs; this commitment included SDG 7 on "Ensuring Access to Affordable, Reliable, Sustainable, and Modern Energy for All." \(^{275}\)

Later that year, the *Paris Agreement* was adopted by the 21\(^{st}\) Conference of the Parties to the *United Nations Framework Convention on Climate Change* (UNFCCC). \(^{276}\) It promoted energy efficiency and the use of more renewable and environmentally friendly sources of energy, emphasizing the needs of LDC. \(^{277}\) In 2015, General Assembly resolution 69/225 launched the United Nations Decade of Sustainable Energy for All as part of the Sustainable Energy for All Forum with a two-year focus on the health impacts of various energy practices on women and children. \(^{278}\) The resolution further stressed the importance of collective action and international cooperation in the implementation of SDG 7. \(^{279}\)

**Role of the International System**

The General Assembly reviewed the developmental approach of the United Nations in its 71\(^{st}\) session and agreed that development needs to be tailored to each country's specific needs, as opposed to a "one size fits all" approach. \(^{280}\) This means that countries' different energy needs, including levels of energy consumption or the capacity to implement and use renewable energy, should be taken into consideration.

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\(^{267}\) Ibid.


\(^{269}\) Ibid.

\(^{270}\) Ibid.


\(^{272}\) Ibid.

\(^{273}\) Ibid.


\(^{276}\) COP 21, *Paris Agreement*, 2015.

\(^{277}\) Ibid.

\(^{278}\) UN General Assembly, *United Nations Decade of Sustainable Energy for All (A/70/422)*, 2015.

\(^{279}\) Ibid.

when working toward SDG 7. The same session, the *Quadrennial comprehensive policy review of operational activities for development of the United Nations system* assessed the UN’s activities and outlined how to better support countries in implementing the 2030 Agenda for Sustainable Development. The Second Committee of the General Assembly continues to discuss SDG 7 on a biannual basis, producing numerous resolutions related to the cause of sustainable energy access. The most recent is General Assembly resolution 72/224 of 2017, which emphasized the importance of access to sustainable energy for poverty eradication and the achievement of the 2030 Agenda, highlighting SDG 7’s targets will not be achieved on time at the current rate of progress. It calls for the rapid implementation of the objectives outlined in the Secretary-General’s report on the United Nations Decade of Sustainable Energy for All and encourages the UN system as well as other stakeholders to moderate renewable energy systems. It also encourages governments and other international organizations to integrate their resource planning and management approaches to better streamline efforts toward achieving universal energy access, taking into consideration other sectors such as water, food, waste, and air quality.

The United Nations High-level Political Forum on Sustainable Development (HLPF) was established in 2012 under the General Assembly, which hosts the forum every four years, and the Economic and Social Council (ECOSOC), where it meets annually. In February 2018, a global conference was held to monitor the progress made toward the achievement of SDG 7. It concluded that there is still widespread lack of access to clean energy, and while renewable energy has been rapidly implemented in electricity generation, it has not been as successful in the heat and transportation sectors. Later that year, HLPF issued a report reviewing the implementation of SDG 7. This report noted that off-grid solutions, stand-alone electricity generation systems not connected to the main power grid, can serve as a supplement to grid electrification and improve access to energy in rural and developing areas. HLPF also stressed the need for more collaborative financing to be able to sustainably achieve SDG 7.

UN-Energy was established after the World Summit on Sustainable Development to streamline efforts and promote joint programming within the United Nations system in the field of energy. It also works to strengthen independent initiatives and build capacity at the national, regional, and global levels. The United Nations Environment Programme (UN Environment) is committed to reducing greenhouse gas emissions as part of the Paris Agreement. UN Environment focuses on reducing barriers to the uptake of renewable energy, integrating energy efficiency into sustainable production and consumption mechanisms, targeting financial support for investing in renewable energy, supporting public transportation initiatives, and ensuring gender-equitable access to sustainable energy. UN Environment has collaborated with the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) to implement the Women’s Entrepreneurship for Sustainable Energy program.

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281 Ibid.
282 Ibid.
284 Ibid.
285 Ibid.
286 Ibid.
289 Ibid.
291 Ibid.
292 Ibid.
294 Ibid.
which aims to build capacity for women in leadership roles on sustainable energy use, economic empowerment, and climate change mitigation.  

The World Bank is assessing the current energy situation worldwide and has created indicators for sustainable energy, and classified countries and regions based on their performance with respect to access to energy, energy efficiency, and renewable energy. The World Bank is also engaged in supporting grid-based and off-grid energy projects. These are mainly in the area of renewable energy and include several solar and hydropower projects in countries across Africa, Latin America and the Caribbean, the Middle East, Europe and Central Asia, East Asia and the Pacific, and South Asia. It has also assessed the implementation and impact of relevant policy changes to track progress made toward the achievement of SDG 7. Through this, it has identified the need to find ways in which public and private institutions can create environments that facilitate energy access. It also covers grid electrification, which is the expansion of existing urban power systems to reach more remote areas, which entails adding more power plants electric utilities and high-voltage transmission lines. Off-grid electrification includes establishing mini-grid systems, which can be powered with fossil fuels as well as multiple options for renewable energy resources. The International Labor Organization (ILO) has recognized that rapid development in renewable energy technologies leads to shortages in labor with the necessary technical skills, such as solar installers, electrical engineers, inspectors, and financial specialists. ILO has acknowledged this opportunity for investment, and identifying the skills and occupational qualifications needed for a greener economy should be a collaborative effort among relevant stakeholders, emphasizing knowledge sharing.

Regional organizations are also active in the field; ECOSOC resolution 73/8 of 2017 on “Strengthening regional cooperation for sustainable energy development in Asia and the Pacific” encourages LDC to shift dependency from fossil fuels to more cost-efficient and renewable sources of energy, stressing the importance of regional cooperation to improve energy infrastructure and security. The European Union (EU) has also exhibited commitment to accelerating clean energy innovation after the adoption of the Paris Agreement, seeking to transition the economy to one that is low-carbon and energy efficient. It has shifted policies and frameworks to introduce “green bonds,” promoting investment in renewable energy. The African Union (AU) is committed to accelerating energy access in its energy action plan, approved in March 2018. In collaboration with the African Development Bank and the World Bank, the African Resilient Investment Facility has been established to increase capacities for the energy transformation agenda. The AU Commission also established the Programme for Infrastructure Development in Africa, which carries out programs for hydropower, geothermal, and solar power.
Affordability

Many countries with an abundance of natural resources often lack the infrastructure necessary to be able to use them as energy sources, and do not have the financial or human resources needed to establish this infrastructure.313 In countries still working toward universal electricity access, affordability threatens around 57% of the population that already has access to electricity, while in countries with universal electricity access, it affects around 30% of the population.314 Many countries benefiting from an abundance of sunlight cannot afford capital necessary for solar power and opt for alternative methods of energy generation, such as fossil fuels.315 While these methods may initially seem cheaper, they have higher long-term costs, such as those associated with greenhouse gas emissions, pollution, and health risks.316 As civilians generally cannot afford to independently shift toward sustainable energy resources for their daily activities, they must choose between having no energy access or using biomass fuels and other unhealthy sources for cooking and heating.317 Without sustainable and mutually beneficial connections to a greater global energy network, these groups are not on target to realize SDG 7.318

Providing affordable sources of energy requires an increase in public and private investment, as well as a shift in local and international policies.319 Low-income levels in African countries are one of the main causes behind lack of access to modern energy resources in the region.320 Domestic and external funding is essential to develop regional access to energy and electricity.321 Governments can implement strategies that incentivize and promote investment in renewable energy, making it more accessible and lowering costs in the long-run.322 Energy megaprojects can also be lobbied to large corporations and donors as a form of corporate social responsibility.323 On another level, the local workforce can be trained in installing renewable energy systems, reducing the need to outsource projects and reducing overall costs, and making clean and sustainable energy sources more affordable in the long-run.324 The renewable energy sector employed 9.8 million people worldwide in 2016, with significant potential for employment gains above fossil fuel industries.325 Ensuring access to energy in this respect will have positive economic effects, helping eradicate poverty and achieving SDG 1.326

Reliability

A constant supply of energy is needed for individuals to maintain their livelihoods.327 Currently, reliable and clean energy is unavailable to large portions of the global population.328 This hinders economic productivity, since production processes that rely on electricity, such as industrial and manufacturing activities, are interrupted.329 This also affects operation of public institutions and reduces access to modern technologies, such as standard lighting for classrooms, computers, and hospital equipment.330

313 UN DESA, Sustainable Development Knowledge Platform, 2017.
314 Ibid.
315 Ibid.
316 Ibid
317 Wu & Wu, Goal 7 — Ensure Access to Affordable, Reliable, Sustainable and Modern Energy for All, 2015, p. 1.
321 Ibid.
323 Ibid.
328 UN DESA, Global SDG 7 Conference, 2018.
This reduces safety in these public areas, and increases the spread of disease and malnutrition. Reliable access to energy on the household level promotes economic prosperity, notably for women, since they will be able to perform daily activities more easily and will have more time to pursue economic endeavors. Access to electricity in outdoor spaces will also improve security in public areas, since better lighting will allow for safer movement between different areas.

Expanding grid systems, most notably in urban areas, has added more than 1.7 billion people to electricity networks in the past 20 years. Off-grid electrification systems, such as mini-grids, operate autonomously, at low-capacity, and within a 50 kilometer radius to meet the relatively low demand for electricity consumption in rural areas. Micro-grids operate at even lower capacity, and cover smaller areas with around a three to eight kilometer radius. Both fossil fuels and renewable energy can be used to power different off-grid systems. Off-grid solutions have facilitated electricity access in rural and remote areas, reaching around 141 million people. Public-private partnerships could produce feasible business models for providing off-grid solutions and mitigate individual investor risk.

**Sustainability**

The cost of renewable energy is too high for individuals to bear alone; civilians in developing countries tend to choose cheaper sources of energy in spite of threats from climate change and resource scarcity. However, increasing policy support and falling costs have made solar and wind power competitive with non-renewable power sources in some countries. While renewable energy has accounted for more than 50% of increases in global power capacities, actual consumption of renewable energy has only increased by 0.2% between 2014 and 2015. Heating, cooling, and transportation account for almost 80% of total global energy consumption and are sectors where renewable energy has significant untapped potential. District energy systems for heating and cooling can use biomass, geothermal, or solar energy.

While the rest of the world develops renewable energy resources, developing countries must have secure access to these resources. Since cost is the main barrier to access, more research can be invested into making fossil fuels more environmentally friendly. This includes switching to sources with lower carbon-content, and capturing and storing carbon emissions effectively. Nevertheless, despite extensive research, there have been no efficient mechanisms that capture or remove carbon dioxide, and

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336 Ibid., pp. 29-31.
337 Ibid., pp. 29-31.
342 Ibid., pp. 1-2.
343 Ibid., p. 3.
344 Ibid., p. 4.
the sustainability of existing measures is still debated.\textsuperscript{348} Other technological advancements have led to a reduction in the costs of renewable energy, such as the price of photovoltaic modules.\textsuperscript{349}

Modern industry and transportation contribute almost an equal share of worldwide carbon emissions, as does power generation.\textsuperscript{350} Incentives need to be introduced to promote the use of more environmentally-friendly sources of energy.\textsuperscript{351} These include carbon taxes, subsidies, public investment in the renewable energy sector, and tax incentives for investments in renewable energy.\textsuperscript{352} Stricter laws and caps are needed on carbon emissions, and sanctions can be used as penalties.\textsuperscript{353} These policies need substantial financial investments, as well as multilateral cooperation between governments and civilians, as well as multisectoral coordination between energy, health, and climate sectors.\textsuperscript{354}

\textit{Modernity}

Investment in suitable, cost-efficient technologies promotes the use of local clean energy resources, and increases efficiency in energy generation and consumption.\textsuperscript{355} Lack of infrastructure and technological development also contributes to this issue, since fuel production and distribution infrastructure is often underdeveloped in areas such as Sub-Saharan Africa and parts of Asia.\textsuperscript{356} Policy researchers have advised Member States to implement policies that facilitate the adoption of clean energy systems and scale up existing technologies for energy distribution.\textsuperscript{357} One example is the use of modern natural gas power stations as a transition for countries until they build their capacities for green and sustainable energy.\textsuperscript{358} In 2018, HLPF recommended that Member States pursue campaigns to raise awareness about the hazards of traditional cooking fuels as well as the benefits of clean cooking solutions.\textsuperscript{359} However, many clean cooking solutions, such as electricity, biogas, ethanol, solar power, and liquefied petroleum gas, are cost-prohibitive to individual consumers.\textsuperscript{360} Transitional options, such as high-performing biomass stoves, can be offered in these areas during the shift to clean cooking fuels and technologies.\textsuperscript{361} Further innovation in these technologies, as well as more reliable data collection can accelerate the achievement of SDG 7.\textsuperscript{362}

\textit{Conclusion}

Achieving universal access to energy requires a multidimensional approach.\textsuperscript{363} Access to energy is influenced by a number of economic and technological factors.\textsuperscript{364} Natural allocation of resources and income levels also play a big role in access to energy.\textsuperscript{365} Similarly, access to energy has enormous

\begin{itemize}
  \item \textsuperscript{348} Ibid., pp. 132-136.
  \item \textsuperscript{349} UN HLPF, \textit{2018 HLPF Review of SDG implementation: SDG 7}, 2018, p. 7.
  \item \textsuperscript{350} UN DPI, \textit{Sustainable Development Knowledge Platform}, 2017.
  \item \textsuperscript{351} Ibid.
  \item \textsuperscript{352} UN HLPF, \textit{Accelerating SDG 7 Achievement, Policy Briefs in Support of the first SDG 7 Review at the UN High-Level Political Forum}, 2018, pp. 103-135.
  \item \textsuperscript{353} McCollum et al., \textit{SDG 7: Ensure Access to Affordable, Reliable, Sustainable and Modern Energy for All}, 2017, pp. 132-136.
  \item \textsuperscript{354} UN HLPF, \textit{Accelerating SDG 7 Achievement, Policy Briefs in Support of the first SDG 7 Review at the UN High-Level Political Forum}, 2018, pp. 103-135.
  \item \textsuperscript{355} McCollum et al., \textit{SDG 7: Ensure Access to Affordable, Reliable, Sustainable and Modern Energy for All}, 2017, pp. 130-131.
  \item \textsuperscript{356} UN HLPF, \textit{2018 HLPF Review of SDG implementation: SDG 7}, 2018, p. 3.
  \item \textsuperscript{357} Kaygusuz, \textit{Energy for sustainable development: A case of developing countries}, 2012, pp. 1119-1121.
  \item \textsuperscript{358} Ibid., pp. 1119-1121.
  \item \textsuperscript{359} UN HLPF, \textit{2018 HLPF Review of SDG implementation: SDG 7}, 2018, p. 3.
  \item \textsuperscript{360} UN HLPF, \textit{Accelerating SDG 7 Achievement: Policy Briefs in Support of the first SDG 7 Review at the UN High-Level Political Forum}, 2018, pp. 103-135.
  \item \textsuperscript{361} Ibid., pp. 103-135.
  \item \textsuperscript{362} UN DESA, \textit{Sustainable Development Knowledge Platform}, 2017.
  \item \textsuperscript{363} Wu & Wu, \textit{Goal 7 — Ensure Access to Affordable, Reliable, Sustainable and Modern Energy for All}, 2015, p. 1.
  \item \textsuperscript{364} UN DESA, \textit{Sustainable Development Knowledge Platform}, 2017.
  \item \textsuperscript{365} Wu & Wu, \textit{Goal 7 — Ensure Access to Affordable, Reliable, Sustainable and Modern Energy for All}, 2015, p. 1.
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economic, social, health, and environmental consequences. Global stakeholders and international organizations are playing a vital role in promoting access to energy. In working to achieve SDG 7, the international system must be prepared to address the needs of various Member States through country and region-specific strategies.

Further Research

Delegates should consider questions such as the following: How can the General Assembly ensure universal access to energy, while meeting the different needs and capacities of both developed and developing countries? How can the General Assembly include all relevant stakeholders in solution-making, and ensure that no Member State is left out of the development process? How can the General Assembly and its partners distribute investment responsibilities across different sectors and regions under SDG 7? How can Member States support improving access to clean and renewable sources of energy in developing countries?

Annotated Bibliography


This source identifies areas with gaps in progress and where critical action is most needed. This report shows the progress of each country and region with respect to energy efficiency, access to energy, and energy sustainability. It also highlights aspects of SDG 7 which need to be further developed and implemented. Specific indicators include energy’s impact on current standards of living and its potential for other aspects of human development, such as poverty, health, and education. The report also provides the methodology used to find these indicators. It differentiates among countries and regions based on income levels and classifies them according to their progress made toward SDG 7. It also analyzes electrification plans, as well as frameworks for grid electrification, mini-grids, and stand-alone electricity systems.


This report focuses on the achievement of SDG 7 in Africa. It provides a background on current challenges faced by the region and highlights low-income levels as one of the main barriers to access in the region. Delegates will benefit from reading this document since it stresses the importance of domestic and external funding to develop access to energy, as well as the implementation of innovative policy frameworks.


This agreement constitutes the most important current international framework document to combat climate change. It shows the importance of renewable energy with regards to reducing carbon emissions and exhibits a global commitment to promoting the use of renewable energy resources, consistent with SDG 7’s commitment to modern and sustainable energy. The frameworks and concepts outlined in the Paris Agreement provide a foundation for many emerging discussions in the international system; delegates review this document gain insights into the effects of climate change and the role of sustainable energy initiatives in combating climate change.

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367 UN HLPF, 2018 HLPF Review of SDG implementation: SDG 7, 2018, pp. 6-11.

This document shows the commitment of the EU toward achieving SDG 7. It also discusses how different types of economies pursue development issues. There is a high focus on policy adjustments, especially in the areas of business markets and technology. New financial instruments related to energy are also introduced, and it shows innovative methods of providing sustainable energy. It also discusses how the use of renewable energy is promoted within the EU, and how it is planning to adjust markets to fit the demand and supply for renewable energy. The report addresses opportunities to phase out fossil fuel subsidies with minimal negative social effects. Delegates will benefit from examples of scaling up existing renewable energy systems.


This report will help delegates to better understand the relationship between SDG 7 and other SDGs. It illustrates how energy access impacts all aspects of development, including poverty, food security, economic productivity, health, and water. Delegates will find this source useful as it provides a good summary of the different sources of energy available in LDC and their potential risks.


This resolution highlights the importance of sustainable development with regards to peace and security, economic growth, and social development, and consequently underscores the urgency of achieving the SDGs by 2030. The resolution covers methods of financing to achieve these goals, and different approaches to development. It recognizes that different countries and regions have different characteristics (including economic factors, governance, resources, and location) which require individualized approaches for development. The resolution calls upon international actors to consider these factors while establishing development policies and frameworks.


This is the most recent report of the Secretary-General on the progress made toward achieving SDG 7. It also goes over UN initiatives, as well as the contributions of Member States, international organizations, and other stakeholders to accelerating actions toward achieving universal sustainable energy. Through this, it tracks the progress of the 2030 Agenda. This source is important for delegates, since includes the UN’s future strategic plan for achieving Sustainable Energy for All and provides policy and partnership ideas. It also covers integral factors such as financing, capacity building, and advocacy, which are integral for achieving SDG 7. Delegates can use these as a framework or for ideas when drafting their own resolutions.


This is the most recent General Assembly resolution on access to energy and is a result of the 72th GA plenary meeting in 2017. The resolution calls to attention previous climate change agreements, such as the Paris Agreement, and stresses the importance of using these as a framework for future development. The resolution emphasizes the importance of global access to energy and calls for global policies and cooperation to achieve this. It
acknowledges that there is a gap in progress that needs to be made to meet this goal on time. It also promotes the importance of implementing renewable energy in all aspects of life. The resolution also highlights the importance of technology, research, gender equality, and innovative economics strategies in facilitating access to energy.


This source provides very recent and up-to-date information about SDG 7 for delegates, including detailed analysis of the relationship between SDG 7 and the rest of the agenda as well as policy solutions that delegates might consider. It discusses the various targets and indicators of the goal, how the goal might be achieved, and methods for financing. It also includes an overview of the progress made since 2015. Moreover, it contains a section dedicated to each region, discussing case-studies on implementation.


This report highlights the general importance of energy in achieving the SDGs, as well as the relationship between electricity and economic growth. It provides statistics on access to electricity and an analysis of this data. It elaborates on how universal access to electricity can contribute to poverty reduction and human development. Moreover, it includes methods and frameworks to establish universal access to electricity and clean energy, and the resulting challenges. The report then analyzes investment risk, possible business models, and other business opportunities. This is important to delegates since it provides a foundational understanding of energy, and how it affects all aspects of life, as well as its potential to improve standards of living and human development.


This is an important UN publication on SDG 7, which provides a concise summary of SDG 7 for delegates. It breaks down the pillars of SDG 7 into affordability, reliability, sustainability, and modernity. It addresses why each one exists and outlines the challenges different people and populations face. This stresses the importance of achieving this goal with all pillars in mind. It also points out the challenges faced in achieving each one and proposes ideas and statistics to keep in mind while proposing solutions to the issue. These include difficulties arising as a result of varying income levels across the globe, natural resource endowments, awareness, and so on.

Bibliography


