

First and Second Reading of Chapter 5 on Transforming Global Governance of the Zero Draft of the Pact for the Future, April 2024

ABOUT: *The co-facilitators of the Summit of the Future (SOTF), following informal consultations and written inputs from MS and stakeholders in December 2023, published the zero draft of the Pact for the Future on 26 January 2024. The 5-chapter zero draft was meant to serve as a starting point for formal intergovernmental negotiations leading up to the SOTF in September 2024.*

A chapter-by-chapter First Reading was organized in early February following which a 242-page compilation text around the skeleton of the zero draft was circulated among Member States (MS). A paragraph-by-paragraph Second Reading was organised intermittently from late February until early April following which a 224-page revised compilation text was circulated among MS on 3 April 2024. This ICH bulletin has used the latest compilation text for chapter 5 containing 33 Operational Paragraphs (OPs) as its input to summarize and capture the key elements discussed by MS in closed intergovernmental negotiations.

NOTE: The parts of the bulletin that was written or summarized by the Lead Author has been *italicized*. The non-italicized parts are excerpts from the compilation text. Kindly refer to the “Methodology” section in page 6 for more details before reading further.

EXECUTIVE SUMMARY:

*The zero draft included language calling for a **networked multilateral system** to avoid fragmentation and a UN that is inclusive of actors beyond states while maintaining its intergovernmental character. MS pointed out resolution 1996/31 and the principle of member’s-driven and non-objection basis to the language committing for more structured engagement with NGOs in consultative status with the ECOSOC along with major groups, private sector, youth, local governments, and other civil society groups. Steps to grant formal status and a stronger mandate to the Council’s **Youth Forum** was raised.*

Reform of the Security Council – *The Intergovernmental Negotiations (IGN) draft input for the Pact for the Future (as of 1 May 2024) contained language committing to accelerate the reform of the Security Council through the IGN process. The convergences identified within the IGN include, among others – the expansion of the category of 2-year term non-permanent members; that the total number of members of the enlarged Security Council should be in the mid-20s between 21 to 27; that a growing number of MS support limitations to the scope and use of the veto; and inclusion of a review clause. The draft urges the Security Council to pursue incremental improvements in its working methods (details in page 9 below)*

Until the reform of the Security Council enters into force MS encouraged the General Assembly to fully implement resolutions 337A(V) (“Uniting for Peace”) and 76/262 (“Veto Initiative”); adopt a resolution clarifying the interpretation of the term “party to a dispute” in Art. 27(3) of the UN Charter and examine the establishment of a mechanism that ensures automatic consequences in the case of grave violations of the UN Charter. The draft also requests the President of the General Assembly to consider creating a dedicated unit within his/her office to support the IGN process.

General Assembly (GA) – *Although there was opposition to specific terms or language, MS were broadly supportive of the revitalization of the GA and to examine the role of the Ad Hoc Working Group on the Revitalization of the Work of the GA. The need to strengthen the Office of the President of the GA (OPGA) was mentioned although with some hesitancy due to the need to observe the reforms of the OPGA that were agreed*

last year by the MS. The need to increase cooperation with national parliaments and the Inter-Parliamentary Union was also mentioned.

MS proposed language to continue to strengthen the contribution of the GA towards maintenance of international peace and security with full respect to existing mandates. Japan and Singapore proposed to allow the GA to take action on international peace and security issues, when necessary, with the US adding “consistent with the UN Charter”.

Senior Leadership and Staff Composition –MS stressed the need for the selection of the SG, leadership of International Financial Institutions (IFIs) and other executive heads of UN entities to be guided by principles of merit, transparency, and inclusiveness. Given that the UN has not yet had a women SG, MS were encouraged to nominate female candidates.

MS reaffirmed that no post should be considered the exclusive preserve of any MS or group of States. Russia and several other MS raised the need to ensure equitable geographical representation in senior management positions as well as the composition of the UN Secretariat, IFIs and UN’s Human Rights Mechanisms

MS committed to strengthening the work of the **Economic and Social Council (ECOSOC)** to accelerate the achievement of the SDGs by improving the monitoring and review process of the HLPF and ECOSOC; identify specific gaps, overlaps and redundancies within the UN Development System; and enhanced cooperation with GA, Peacebuilding Commission, Multilateral Development Banks (MDBs), and other relevant UN bodies.

MS supported the **UN Development System Reform** and resolved to continue efforts to strengthen the role of the Resident Coordinators to enable accelerated SDG delivery.

MS resolved to revitalize the **Commission on the Status of Women** and to strengthen the implementation of the Beijing Declaration and Platform for Action and the outcome of its reviews. Israel, EU and few more MS proposed to strengthen the Commission on Population and Development.

Peacebuilding Commission (PBC) – MS reiterated their commitment to strengthening the PBC and called for enhanced cooperation with IFIs, regional and subregional organizations. LMG-5, the EU and Singapore proposed language strongly encouraging the PBC to utilize its convening role. MS also invited the chair of the PBC to brief the Human Rights Council on its work.

MS recognized the important role the commission can play in supporting countries identify the root causes of conflicts and committed to supporting the Commission to become a platform for sharing good practices, including through presentation of national prevention strategies. The role of the Commission in supporting countries, at their request, during and after a peace operation was noted. MS look forward to the outcomes of the 2025 Peacebuilding Architecture Review.

Human Rights – MS resolved to strengthen the Office of the UN High Commissioner for Human Rights (OHCHR) to carry out its mandate, particularly in the areas of technical assistance and capacity-building. MS requested the SG to propose options for adequate, sustainable, and predictable financing of the OHCHR at its 79th session with the EU, Paraguay and few more MS, proposing language to double the regular budget resources for OHCHR. This was opposed by Egypt as it considers OHCHR to already have ambitious funding with flexible provisions. China, with opposition from US, UK, EU, and Switzerland, proposed to include language on the right to development.

MS encouraged the SG to develop a set of protocols and convene/operationalize an **Emergency Platform** in consultation with MS. Questions on what constitutes as an ‘emergency’, who will decide, where the funding will come from, and how it will be distributed were raised. MS noted that the Emergency Platform will not be

a standing body or institution and that it would complement and not duplicate the response of other UN principal organs and entities.

Beyond GDP – MS welcomed the development of measures of progress on sustainable development that go beyond GDP. The G-77 and Mexico proposed to include this measure to inform access to development finance and technical cooperation with the US, Canada, Japan, and the UK opposing. The G-77 and Mexico with Russia reserved proposed language deciding to initiate an UN-led intergovernmental process to develop measures beyond GDP and also requesting the SG to establish a high-level expert group.

MS committed to expand the basis on which to determine country needs and access to concessional finance. The G-77 and the US, EU, Japan, and Australia proposed several paragraphs containing alternate language encouraging to incorporate vulnerability measures, particularly multidimensional vulnerability index, as a criteria.

Global Economic Governance and IFI Reform – MS welcomed ongoing efforts to reform the IFIs and recognized the need to urgently modernize and strengthen the IFIs to meet the financing needs of developing countries and better respond to current and future challenges, including climate change and biodiversity loss. MS welcomed and encouraged the publication of SDG impact reports by IFIs.

The G-77 proposed to strengthen the role of the UN in global economic governance, decision making and norm-setting, while US, Australia, Japan, Mexico, and Canada want the UN to work in partnership with IFIs or for the global economic organisations to consult more broadly and align with the UN. MS called on the MDBs to work better as a system and deepen partnerships and coordination with other development actors, including the UN system.

MS reiterated the need to strengthen the voice, participation, and representation of developing countries in global economic governance, including in international trade, IFIs and MDBs. The G-77 proposed, with the US, EU, Japan, and the UK opposing, to develop by June 2025, possible approaches for further quota realignment of the IMF and to urgently conduct a shareholding review of the World Bank to better reflect members' relative positions in the world economy.

Global Debt Architecture – MS retained language from the zero-draft recognizing the need to strengthen the global debt architecture, with the EU, US and Japan proposing to add and G-77 opposing language stepping up the implementation of the G20 Common Framework for Debt Treatments. Several measures were put forward to fully leverage the capital bases of MDBs, with particular reference to the G20 Independent Review of MDBs Capital Adequacy Frameworks.

MS encouraged a comprehensive review of the sovereign debt architecture and to present recommendations in the 4th International Conference on Financing for Development in 2025, but differed on where this should be conducted – whether within the auspices of the UN, IMF, or the Global Sovereign Debt Roundtable.

MS encouraged the use of state-contingent debt clauses where appropriate and also expressed views on climate resilient debt clauses, financing for global common goods and IMF surcharges. The need to assist LDCs in achieving debt sustainability was also discussed.

Special Drawing Rights (SDRs) – MS commit to or intend to work together to improve the global financial safety net. MS welcomed efforts to re-channel \$100 billion of SDRs with G-77 expressing concern regarding the slow progress in fulfilment of the pledges made. The G-77 called for an additional allocation of \$500 billion of the SDRs and called for a mechanism for more automated and accelerated SDR issuance and reallocation in a countercyclical manner or in response to shocks.

Although MS did not oppose language on the intergovernmental negotiations on a framework convention on **international tax cooperation**, they differed on the level of emphasis given from “look forward to”, “recognize”, “take note of” to “fully supporting”.

MS welcomed or took note of the SG’s proposal to convene a **biennial summit** at the level of Heads of State or Government of the G20, members of ECOSOC, the SG and heads of the IFIs.

Peaceful Uses of Outer Space – MS reaffirmed the central role of the UN Committee on Peaceful Uses of Outer Space. MS expressed concern about the increasing number of objects and activities in outer space and recognised the importance of developing frameworks for international cooperation in the area of space traffic management, space debris and removal.

Countries resolved to broaden space cooperation to enable inclusive, pragmatic, and future-proof decision-making on space sustainability, including consulting with commercial actors and civil society in decision-making processes.

HEADLINES:

- We also resolve to further strengthen [China alt: /support] the United Nations human rights system /.../ [European Union add; US del: including upgrading the Human Rights Council to the status of a principal organ of the United Nations]
- Japan add; LMG-5 reserve: /.../ we /.../ resolve to delete references to “Enemy States” in Articles 53, 77 and 107 of the Charter.
- ACT, Japan add; LMG-5 del; UK reserve: If the Security Council cannot or will not act in the face of threats to international security, then the matter should immediately be placed before the General Assembly for action.
- ACT, Brazil, Mexico (principle) add; LMG-5, US prefer 77/335 OP 72, “Reaffirms that no post should be considered the exclusive preserve of any Member State or group of States and that the Secretary-General should ensure that this principle is applied faithfully in accordance with the principle of equitable geographical distribution”: We oppose any monopolies on senior posts by nationals of any State or group of States throughout the wider UN system.
- Mexico (link UK above), EU add; LMG-5 reserve: We commit to present steps to improve the work of the Committee on Non-Governmental Organizations to avoid politicization before the end of 2025.
- Costa Rica, Colombia add; LMG-5 del: We commit to support inclusive, meaningful and consistent civil society participation across the United Nations /.../ We support the appointment of a United Nations Envoy to collaborate closely with civil society.
- We note the [LMG-5 del: critical] role of the (*Peacebuilding*) Commission in supporting countries [LMG-5 alt: at their request] during and after the transition of a peace operation, in cooperation with the Security Council [Mexico add: and the UN Country team].
- We look forward to the work to develop, by June 2025, possible approaches as a guide for further quota realignment of International Monetary Fund, including through a new quota formula, under the 17th General Review of Quotas, and [RF support: to urgently conducting the shareholding review of the World Bank, to

better reflect members' relative positions in the world economy, while ensuring that no developing country is left worse off in terms of voice and shareholding.]

- G-77, RF add; UK del: We call on MDBs to provide timely support to developing countries in the design, financing and scaling up of country owned and driven innovative mechanisms such as debt swaps for sustainable development goals, including debt swaps for climate and nature, [Japan del: and debt swaps for food security, /.../].
- G-77 add; US, UK del: We call to reduce borrowing costs for developing countries by establishing a public credit rating agency (CRA) or modifying the role of existing CRAs to foster a more development friendly investment environment.
- UK, EU add; G-77 del and comment on CRDC; RF del: We commit to scaling up 'Climate resilient debt clauses' as a mechanism to help prevent build-up of unsustainable debt by allowing a country to pause debt repayments when a climate shock (or health emergency) occurs, freeing up fiscal resources to respond to and recover from the shock.
- G-77, RF add; US, Japan, UK del: We further acknowledge that countries with substantial IMF loans are burdened with additional interest in the form of surcharges, and that the existing structure of IMF surcharges is inefficient and inequitable. We call for the immediate suspension of IMF surcharges and for the urgent revision of the surcharges policy.
- G-77 add; US, Japan, UK del: We call for /.../ an additional allocation of 500 billion of Special Drawing Rights and ensure they are designed to benefit those countries most in need. We call for a fundamental review of the role and use of SDRs and encourage the development of a mechanism for more automated and accelerated SDR issuance and reallocation in a countercyclical manner or in response to shocks, with allocations based on need and to catalyze their potential as a source of financing for sustainable development.

HIGHLIGHTS:

- European Union, Switzerland add; LMG-5 reserve (placement and "flexibility"): We stress that adequate, sustainable and predictable financing is crucial for this Pact for the Future and mandate delivery. /.../ [RF del: We support the Secretary General's call for more flexibility in UN budgetary procedures to allow for the effective implementation of mandates. In that regard, we look forward to upcoming proposals by the Secretary General at the 80th session to improve the financial situation of the United Nations.
- Costa Rica, EU, Paraguay alt; Australia reserve; Egypt del: /.../ we resolve to strengthen the Office of the United Nations High Commissioner for Human Rights, /.../, particularly in the areas of technical assistance and capacity-building, through [US reserve: the doubling of its regular budget resources] over the next five years with a view to progressively setting a balance between regular budget and voluntary contributions to its resources /.../
- Mexico, EU, Switzerland (in principle) add: We commit to undertaking a system- wide strategic review, [LMG-5 del: in the framework of ECOSOC,] in order to identify specific gaps, overlaps and redundancies within the United Nations development system, [LMG-5 del: in order to ensure that it is cost-effective,] fit for purpose and able to deliver results for people, planet and prosperity.
- Costa Rica, Brazil, EU, Paraguay add; Mexico del: We commit to rationalizing the Agenda of the General Assembly [Argentina, Paraguay add: with a clear consent of the sponsoring State or States, and to dedicate more time for holding substantive and interactive dialogues as well as the review of the implementation of the resolution it adopts].

- Indonesia add: We commit to forge stronger partnership and synergy between the UN and regional organizations to address global challenges, including through the convening of a biennial meeting between the UN and regional organizations.
- European Union add; Brazil, Argentina reserve: We further commit to continuously assess and manage our global common goods, through international cooperation and partnership, in order to ensure their sustainability and resilience against global shocks, to adapt and serve future generations.
- G-77, Mexico add; RF reserve: We decide to initiate a United Nations-led intergovernmental process in consultation with relevant stakeholders, including the UN Statistical Commission, international financial institutions, multilateral development banks and regional commissions, in line with their respective mandates, on measures of progress on sustainable development that complement or go beyond gross domestic product.
- G-77, RF add; US, Japan, EU del: While respecting debt sustainability the IMF should urgently reconsider developing a new multilateral facility to ensure that all countries have the necessary access to foreign currencies during global crises.
- Russian Federation add; UK, Paraguay open to discuss: We commit to fully abiding by the UNGA decisions related to the division of labor between the UN organizations and negotiation platforms: the issues [EU, Ukraine alt: of peaceful cooperation in outer space/the issues related to the exploitation and uses of outer space for peaceful purposes] should be discussed at the UN Committee on the Peaceful Uses of Outer Space in Vienna, and the issues of preventing an arms race in outer space – at the Conference on Disarmament in Geneva [EU, Ukraine add: or any body tasked with this matter by the UN GA First Committee] within the framework of the UN disarmament machinery.

METHODOLOGY:

This ICH bulletin has summarized and/or captured the key elements from the revised compilation text (as of 3 April 2024), which presented a set of unique challenges. Thus, this section is an effort to inform the readers of the approach taken to ensure transparency and better understanding and usage of this bulletin.

*In the “Headlines” and “Highlights” section above and the “Key Elements” section below, excerpts, along with the positions of MS, have been taken from the compilation text; this has been indicated by non-italicization. Few parts of excerpts have been edited out (to optimize space and reduce repetitions) are indicated by “/.../”. The parts of the bulletin that are written or summarized by the Lead Author are italicized, as mentioned in the note in page 1. The compilation text makes the distinction between the language originally present in the zero draft (as of 26 January 2024) and *the ones added over the First and Second Reading* by using black and red colours, respectively. Hence, this bulletin also maintains the distinction in colours. In the “Key Elements” section below, the content as in the zero draft of 26 January has been included at the start of every Operational Paragraph (OP) and has been **boldened**.*

RESOURCES:

1. [Zero draft of the Pact for the Future](#)
2. [Compilation text \(as of 3 April 2024\)](#)
3. [IGN draft input on Security Council \(as of 1 May 2024\)](#)
4. [Letter from the co-facilitators – 26 January 2024](#)