

G7/G20 ADVOCACY ALLIANCE (U.S.)

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G20 POLICY PAPER

2023 G20 Summit Recommendations: New Delhi, India





The 2023 G20 Summit comes at a time of immense global challenges. The world is at a tipping point for addressing climate change, a crisis that has far-reaching impacts that worsen global inequality, poverty, and humanitarian crises. Many countries face rising and unsustainable debt. Meanwhile, Russia's war in Ukraine has resulted in thousands of deaths and continues to destabilize the region, creating knock-on effects for food and energy security around the globe.

These challenges and others are immense yet addressable, all requiring a coordinated response from the G20. To that end, it is imperative that the G20 focus on issues where collective action is possible.

As the leading forum for international economic cooperation, the 2023 G20 provides members with muchneeded opportunities to discuss and address the multifaceted and complex global economic challenges we face.

This paper contains the recommendations of the G7/G20 Advocacy Alliance (U.S.), a group of more than 40 U.S.-based nongovernmental organizations.* Together, we call for the United States to play a leading role in encouraging the G20 to take the following actions to realize the Indian G20 Presidency's goal of "One Earth · One Family · One Future."

CLIMATE

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We are at a critical moment in our global response to the climate crisis. Russia's invasion of Ukraine has underscored our global dependence on fossil fuels and has precipitated an energy crisis. Moreover, climate finance is increasingly driving debt distress in the Global South and not reaching the communities and nations most in need. Despite these challenges, there are opportunities to usher in a just energy transition and support those on the frontlines of climate change. The U.S. should work with other G20 members to:

 Develop a roadmap to phase out fossil fuels through Official Development Assistance, export finance, investment, and financial and trade promotion support and accelerate the transition to renewable energy.

^{*}The G7/G20 Advocacy Alliance is a large coalition of organizations that work on a wide variety of issues. Given the diversity of issues presented in this policy paper, it is worth noting that each member of the Alliance does not necessarily endorse every recommendation herein.



2. Support the Bridgetown Initiative to address debt distress and create fiscal space for countries to respond to climate impacts.

- a. Provide debt cancellation for all global south countries that need it across public and private creditors.
- b. Normalize natural disaster and pandemic clauses in all debt instruments to better absorb shocks so countries are not forced to make the difficult choice of paying down their debt, or building resilience to climate impacts and cutting emissions.
- c. Provide significantly more, better-quality, new, and additional climate finance.

3. Establish Adaptation Partnerships for those most climate-vulnerable countries upholding the following principles such that partnerships:

- a. Prioritize countries that are most vulnerable to climate change, including fragile and conflict-affected states.
- b. Are country-led and designed in a transparent manner with the leadership and participation of people who are commonly marginalized in decision making and left behind when interventions are made, including people living in poverty, women, children, people with disabilities, and Indigenous Peoples.
- c. Deliver via grants-based finance so countries are not forced into more debt to pay for the climate crisis.
- d. Center investments in water resource management, multi-use water systems, and climateresilient water, sanitation, and hygiene (WASH) infrastructure and services to buffer against extreme weather events and exacerbated water scarcity in programming.

DEVELOPMENT FINANCE

Lead: Eliza Love, Senior Technical Officer, Health Financing, Management Sciences for Health (elove@msh.org)

At the 2023 G20, we urge the U.S. government to support other G20 countries to:

Deliver on debt relief.

- a. Cancel debt payments for all countries that need it.
- b. Extend eligibility to the Common Framework to middle-income countries.
- c. Normalize natural disaster and pandemic clauses that would automatically suspend debt payments in the wake of these systemic shocks.
- d. Immediately integrate standstills on debt service payments for all countries applying to the Common Framework for as long as they negotiate debt restructuring in good faith,



- requesting the International Monetary Fund (IMF) provide immediate relief by lending into arrears.
- e. Adopt national legislations requiring private creditors grant as much debt relief as official creditors.
- f. Call for multilateral development banks (MDBs) to participate in the debt relief efforts.

2. Fulfill the promise of the Special Drawing Rights (SDRs).

- a. Support the realization of at least \$100 billion rechanneled in SDRs.
- b. Work with Congress to secure authorization to lend at least \$21 billion to the two IMF trust funds: Poverty Reduction and Growth Trust (PRGT) and the Resilience and Sustainability Trust. Boost subsidy grant contributions to the PRGT.
- c. Support the channeling of SDRs through alternative channels such as MDBs, including supporting donors to pledge SDRs to the African Development Bank.

3. Ensure access to effective and equitable development finance.

- a. Accelerate MDB reform through implementation of the recommendations in the Capital Adequacy Framework, Bridgetown Initiative, and the World Bank Group Evolution Roadmap to adequately scale up financing and accelerate climate action while maintaining focus on critical development goals. Ensure MDB reforms come with increased commitment to strengthening accountability and remedy for any unintended negative impacts from MDB-supported projects.
- b. Increase longer-term investments in universal health coverage, gender equality, food security, climate adaptation and resilience, education, and social protection.
- c. Support locally led development and recoveries by directing financing to local governments and organizations.
- d. Support countries to strengthen equitable domestic resource mobilization and efficient, transparent, and accountable spending.

FOOD SECURITY AND NUTRITION

Lead: Sara Nitz Nolan, Senior Manager, Policy and Advocacy, InterAction (SNitz@InterAction.org)

- 1. Immediately respond to emergent global food security needs to save lives now.
 - a. Provide additional funding to reach communities in crisis.



- b. Invest in anticipatory action to best scale up assistance, including food and essential lifesaving services, for millions of households facing IPC 3 levels of acute food insecurity and above.
- c. Invest in proven nutrition treatments for severe acute malnutrition, known as Ready-to-Use therapeutic foods (RUTF), that can save hundreds of thousands of lives, including the most vulnerable—children under 5 and mothers.

2. Make food systems more resilient to shocks and stresses through agricultural practices that promote locally-driven solutions, cross-sectoral approaches, and more sustainable diets.

- a. Invest in holistic, multisectoral approaches to climate-resilient agricultural development. These investments should include innovation, which give farmers the tools to improve productivity, storage, nutrition and adapt to climate shocks, and <u>can minimize the severity</u> of the next disaster when it strikes, reducing the need for future humanitarian assistance.
- b. Improve nutrition through integrated health, food, WASH, and social protection responses and investments in high-impact and affordable nutrition interventions. This includes prenatal vitamins during pregnancy, breastfeeding promotion, vitamin A supplementation, and supporting more diverse and sustainable diets alongside investments in strengthening health systems and community health platforms that expand access to nutrition services.
- c. Expand large scale food fortification to help reduce micronutrient deficiencies and anemia in girls and women.
- d. Emphasize co-creation and locally-led development solutions that invest in small-scale producers and center their perspectives and experiences.
- e. Promote the use of locally accepted nutritious foods to increase accessibility, support local markets, and respect indigenous knowledge of agricultural practices.

3. Invest in research to maximize innovation and prepare for food security challenges of the future.

- a. Enhance partnerships with CGIAR to better develop and disseminate technology to small shareholder farmers.
- b. Utilize local research institutions to empower local experts to help shape sustainable agriculture strategies that are country-specific.
- c. Disaggregate agricultural, food security, and nutrition data by sex to better understand their linkages with gender inequality.



HEALTH

Co-Leads: Philip Kenol, Policy & Advocacy Officer, Global Health Technologies Coalition (pkenol@ghtcoalition.org); Ansley Moore, Manager, Advocacy & Engagement, Global Health Council (amoore@globalhealth.org)

- 1. Commit to a new approach for a future pandemic countermeasures platform.
 - a. A new framework and platform should be people-centered; responsive to local and regional needs, with an end-to-end approach that addresses the needs of low- and middle-income countries (LMICs) and communities; and involves researchers and manufacturers from LMICs from the start.
 - b. This platform should ensure ready-to-use clinical trial protocols in the public interest and increase vaccine, diagnostics, treatments, and other health technology manufacturing support for companies in LMICs. This platform should not be based on a charity model.
 - c. Policies should ensure technology sharing and transparency, address trade-related barriers (including over intellectual property), and account for tools emerging from publicly financed R&D.
- 2. Fully fund the Pandemic Fund for year one and commit to a sustainable capitalization plan for the ensuing years.
 - a. Ensure the activities of the Pandemic Fund are complementary to those of other organizations and initiatives to create a strengthened, more cohesive global health architecture.
- 3. Demonstrate commitment to universal health care (UHC) and leave no one behind by:
 - a. Committing to the highest political level participation at the United Nations High Level Meeting on UHC on September 21, 2023.
 - b. Making ambitious, actionable commitments as outlined in the Action Agenda from the UHC Movement.
 - c. Building synergies across the three High Level Meetings on UHC, tuberculosis, and pandemic prevention, preparedness and response, and promoting coherent, integrated, and action-oriented global health agendas.
 - d. Making specific and actionable commitments to strengthen the health workforce.
- 4. Prioritize environmental action in response to antimicrobial assistance (AMR) as part of G20 global health strategies.



- a. Strengthen multi-sectoral coordination, particularly across environmental and health agencies, with integration of AMR to consider a systems approach for possible national action plans.
- b. Prioritize financing, innovation, and capacity development which support climate initiatives.
- c. Ensure access to quality, climate-resilient WASH services, infection prevention, and control measures, particularly in health care facilities, to enable communities to reduce their overall disease burden and help promote health and well-being.

GENDER EQUALITY

Co-Leads: Foteini Papagioti, Senior Policy Advisor, International Center for Research on Women (fpapagioti@icrw.org); Kelsey Harris, Senior Global Policy Advocate, International Center for Research on Women (kharris@icrw.org)

We urge the U.S. government to take up the following recommendations to promote gender equality:

- 1. Advance economic justice for women, girls, and gender nonconforming people by addressing structural barriers through an intersectional lens, with a focus on unpaid care work.
 - a. Invest an additional 2% of Official Development Assistance in principal gender equality funding that supports the reduction and redistribution of women and girls' unpaid care work, including financing for care services and infrastructure.
 - b. Invest in health and care workers, ensuring decent working conditions and wages, social protections, and their rights to collective bargaining.
 - c. Integrate gendered impact assessments into macroeconomic, trade and investment policies, including in multilateral fora where the U.S. holds influence.
- 2. Strengthen accountability to past and current commitments on gender equality, and work with feminist civil society organizations to complement existing mechanisms with analysis on progress and gaps.
 - a. Advocate for core gender data systems to support evidence-based policymaking and evaluation, and fill the \$500 million annual gender data financing gap.
 - b. Uphold U.S. and G20 gender equality commitments, including reducing the labor force participation gap by 25% by 2025, closing gender infrastructure gaps through the Partnership for Global Infrastructure and Investment, and increasing gender-sensitive climate financing.



- 3. Embrace a transformative and rights-based approach to U.S. foreign policy and multilateral engagement for sustainable and inclusive development by integrating gender equality as a key consideration.
 - a. Ensure that 100% of all foreign policy funding integrates gender equality objectives and at least 20% of foreign aid promotes gender equality, using an intersectional lens, as a primary objective.
 - b. Invest through and engage meaningfully with women's rights, women-led, girl-led and feminist organizations and movements, particularly locally and in LMICs.



BACKGROUND

CLIMATE

Decisive action is needed to reduce greenhouse gas emissions and keep global temperatures below 2.7° F (1.5° C). In 2022 G20 leaders resolved to pursue efforts to limit the rise in global temperatures to 1.5° C and recognized the need to speed up efforts to phase down coal use. This year's G20 Summit is an opportunity for leaders to translate these statements into reality through an implementation roadmap.

Climate finance, a lifeline for countries already experiencing climate impacts, is increasingly becoming a driver of debt distress in the Global South, particularly for small island nations and African countries. In 2020, for example, over 70% of climate finance was provided as loans. As a result of debt distress, the countries which have done the least to create the climate crisis are stuck paying the most. As major shareholders to multilateral development banks like the World Bank and International Monetary Fund, G20 leaders are uniquely positioned to champion reforms to the international financial architecture that will provide developing countries the fiscal space they need to build resilience.

Adaptation only represents 20% of climate finance flows and only a tiny fraction of this reaches the most climate-vulnerable places, particularly those that are also fragile. The Just Energy Transition Partnerships under implementation in South Africa, Vietnam, and Indonesia provide a useful framework for aligning finance to developing country priorities. Similar partnerships are needed to scale up and support adaptation and resilience building efforts in the Global South to ensure that those that have done the least to cause the climate crisis are not left to weather its worse effects alone. Given the threats that climate change poses to water security, special attention must be paid to prioritizing climate-resilient WASH services through these partnerships.

DEVELOPMENT FINANCE

The funding needs created from the compounding crises of the COVID-19 pandemic, humanitarian emergencies, extreme inequality, and unprecedented rise in food and energy costs are immense and increasing. Simultaneously, many countries face rising and unsustainable debt and have veered further off-track of the Sustainable Development Goals (SDGs).

Just as the poorest within societies are being hit hardest by rising costs, low-income nations that were already under pressure from historically high debt levels are even further constrained by the dramatically



rising costs of financing imports of basic commodities. Debt-servicing for the world's poorest countries is projected to exceed \$62 billion in 2022, an increase of more than 35% from 2021. With 60% of the poorest countries already at high risk of or in debt distress in 2021, urgent relief is needed to unshackle debt distressed countries and to decelerate the growing global financing crisis.

Despite desperate need for increased financing, nearly a year after the G20 pledged to recycle \$100 billion in SDRs only \$66 billion have been pledged and no vulnerable country has received a single recycled SDR. Channeling SDRs through existing and alternative channels will be critical to bolstering the ability for low-income nations to recover from and respond to compounding crises.

As major shareholders to MDBs like the World Bank and the IMF, the G20 is uniquely positioned to champion the reforms and objectives outlined in the Capital Adequacy Framework, Bridgetown Initiative, and the World Bank Evolution Roadmap in building a more sustainable, agile, and progressive global financial architecture. These reforms should come with an increased commitment to accountability and remedy for any unintended negative impacts to project-affected communities.

FOOD SECURITY AND NUTRITION

While progress has been made toward eliminating global hunger, the world is now facing an unprecedented global food security and malnutrition crisis. Over 800 million people do not know where their next meal will come from. Over 1 billion adolescent girls and women suffer from undernutrition with devastating consequences for their lives and well-being, while along with millions of pregnant and breastfeeding girls and women. This poses dangerous and irreversible consequences for their children's survival, growth and development, as over 30 million children are already suffering from acute malnutrition. Meanwhile, 900,000 people face famine-like conditions, a ten-fold increase from just five years ago. In short, the situation is dire.

Hunger is rising globally due to the increasing intensity and frequency of extreme weather events and changing climates, entrenched conflicts, economic crises, and disruptions from the COVID-19 pandemic. For many communities, especially those already marginalized, compounding shocks have eroded the resilience of their food systems and pushed them to their breaking point. The global effects of the conflict in Ukraine could be the final blow. The intensity and persistence of the food crisis are also straining local responders and humanitarian actors, forcing painful decisions about where to pull away much-needed aid to account for new hunger hot spots.



We encourage the United States to continue to lead the G20 members in providing a robust, collective response to addressing food insecurity and agriculture development. This includes building on existing initiatives launched by the G20 in prior years. Responses must not only address immediate needs but tackle long term root causes that drive hunger and poverty. This includes prioritizing political and diplomatic responses to prevent and manage conflict and complex crises. Strategic investments in food security, agricultural research and development, and nutrition are proven ways to build resilience and reduce vulnerability to food shocks and stresses while addressing chronic poverty and hunger.

HEALTH

As the world begins to shift its focus beyond COVID-19, it must prioritize the proactive strengthening of the global health architecture at the national, regional, and global levels to build a more cohesive and resilient health system structure. Robust and sustainable mechanisms must be in place, particularly financing for pandemic prevention, preparedness, and response. When the next health emergency strikes, the global architecture must be fit for purpose to respond and rise to the challenge. This includes having pre-established platforms that can coordinate the development of and access to vaccines, therapeutics, and diagnostics, and taking lessons from the Access to COVID-19 Tools Accelerator to ensure that the concerns of equity, inclusivity, governance, and accountability are clearly addressed. It also means that developing local capacities are prioritized, including through investments of the new sustainable financing mechanism, the Pandemic Fund, which to date has only received US\$1.6 billion of the US\$10.5 billion agreed annual target in pledges.

While COVID-19 has dominated global health programming and dialogues for three years, global leaders must recalibrate their efforts to advance universal health coverage and achievement of the SDGs. Addressing these challenges will require investments in the long-neglected foundational elements of good health and well-being, such as strong and resilient health systems underpinned by a robust health workforce. G20 leaders must recognize universal health coverage and health security as two intertwined goals to be planned and implemented together through the same health system strengthening efforts based on a foundation of primary health care.

Lastly, climate change and antimicrobial resistance (AMR) are forming an alarming alliance, creating new challenges that require new, multi-sectoral approaches and coordination.

GENDER EQUALITY



The COVID-19 pandemic and the impact of the war in Ukraine on energy and food security have reversed decades of progress toward gender equality, particularly for those facing the greatest structural exclusion.

Aging populations and cuts to public services have contributed to a <u>global care crisis</u> disproportionately affecting <u>poorer and racialized women</u> and keeping almost <u>42 percent of working-age women outside the paid labor force</u>. Investments in <u>care-supporting physical infrastructure</u> and <u>services</u> can reduce the time and intensity of unpaid care work, <u>improve wellbeing</u>, <u>create jobs for women</u>, and <u>improve women's labor force participation</u> and overall <u>productivity</u> and economic growth.

The <u>availability of gender-disaggregated and intersectional data</u>, such as that disaggregated for age, sex, and disability status, guide policy development and inform monitoring and evaluation, and can reveal systemic inequities, particularly for young and aging populations, which often have the least say in decision making fora. Yet, in 2020 funding for gender data <u>decreased by over 50%</u>. <u>Advocating for gender data collection</u> and increasing financing for core gender data systems can strengthen evidence-based policies and support increased accountability to gender equality commitments.

In 2022, G7 leaders committed to strengthening rights, resources and opportunities for women and girls, in the spirit of feminist development, foreign and trade policies, and G20 leaders committed to centering gender equality in an inclusive recovery and sustainable development. The U.S. government has committed to advancing women and girls' climate action, preventing and responding to gender-based violence, strengthening women's economic security, and increasing funding for gender equality in foreign assistance. However, even at a historic high of \$2.6 billion, funding for gender equality remains a fraction of overall foreign assistance and lags behind the commitments of G20 partners. Matching policies with adequate financial commitments can accelerate progress toward a more feminist approach to U.S. foreign policy and multilateral engagement.

ABOUT INTERACTION

InterAction is a convener, thought leader, and voice for NGOs working to eliminate extreme poverty, strengthen human rights and citizen participation, safeguard a sustainable planet, promote peace, and ensure dignity for all people. Learn more at InterAction.org.