



ForUM's response to the FfD elements report

We commend the elements report for the transformative ambition and approach, integrating the three dimensions of sustainability well, and clearly linking to, supporting and complementing the SDGs. The document covers a number of important measures. In our response we have focused on those that we consider as key deliverables, and most transformative.

Key deliverables and most transformative policy proposals

Below is a list of key deliverables for success in Addis Ababa and the SDGs. In other words the redline measures that ForUM finds crucial, and that the resolution must contain as a minimum. In the column called *recommendations* we have proposed language for the resolution, and in the column *relation to the SDGs* we have highlighted in what way the measure should support or strengthen the sustainable development goals. The lines marked in green contain the measures that have **the most transformative potential**. This and key deliverables are explained under the column *explanations*.

Policy proposal in the elements report	Recommended resolution text	Explanation	Relation to the SDGs
Domestic public finance			
Raising public revenue, including through improved tax administration			
Meet robust transparency standards on all revenue raising measures	We commit to making all agreements on tax, and revenue raising measures, transparent to the public.	Tax agreements which are secret to parliamentarians and citizens are currently causing corruption and a	There is no target on this important measure in the Open Working Group (OWG) document. The measure would strengthen current target 16.4 to reduce



		great loss of revenue.	illicit financial flows, and target 16.5 on corruption.
Using tax and expenditure policies to address inequalities			
Analyze and publish the distributional implications of tax policies, and minimize regressive effects, in line with country preferences.	We recognize the importance of progressive tax policies to reduce inequality and combat poverty, and commit to publish the distributional implications of tax policies on different groups in society, including gender. We will strive to remove regressive policies accordingly, in line with country preferences.	Progressive tax systems and pro-poor redistribution are key to tackle inequality and eradicate poverty	This is a much needed measure to achieve target 10.1, to reduce inequality in income, in the Open Working Group document.
Mainstreaming sustainable development criteria in revenues and expenditures			
Set up a global social protection floor with a minimum spending package for social services, adapted to country income levels, with international support where needed.	We commit to establishing an adequate global social protection floor, with a minimum spending package for social services, adapted to country income levels, with international support where needed.	There is mounting evidence that social protection systems contribute significantly to reducing the prevalence and severity of poverty, to curtailing inequalities, gender discrimination, and to creating sustainable and equitable societies. Yet 75-80% of families today have no access to social protection.[1]	This measure is crucial to ensure that target 1.3 in the OWG document on social protection floors will be successful.
Use procurement systems to support	We commit to use procurement systems	Procurement is one of the most	This measure is crucial for governments to



effective, equitable and sustainable development and removing obstacles thereto in international agreements.	to support effective, equitable and sustainable development, and to remove obstacles thereto in all international agreements.	catalytic instruments to support the development of sustainable production and consumption. Yet the use is often hindered by conflicts with other agreements.	be able to act on target 12.7 in the OWG document to promote sustainable procurement practices.
Put a price on carbon emissions.	We commit to establishing a multilateral initiative to create a global price on carbon, which will contribute to the multilateral climate finance institutions.	This is a crucial measure to achieve necessary reductions in carbon emissions, to incorporate climate costs into the economy, and raise climate finance.	This target is necessary to complement the targets in goal 13 to combat climate change, and to secure its success.
Phase out harmful subsidies, while compensating the poor	We commit to phase out subsidies which are harmful to sustainable development, including fossil fuel and agricultural export subsidies, while compensating the poor.	The most harmful forms of subsidies, like fossil fuel and agricultural export subsidies must be explicitly specified/included.	Target 12c in the SDGs on phasing out fossil fuel subsidies is formulated in a weak manner which neither is action oriented, nor measurable. The FfD resolution must strengthen it. Target 2b calls for the elimination of agricultural export subsidies.
Making budgets transparent, participatory and gender-responsive			
Encourage the publishing of budget breakdowns according to expenditure allocated to tackling the SDGs.	We commit to the publication of budget documents, including detailed breakdowns of expenditure allocated and spent at all levels, of government on tackling each of the SDGs.	The budget documents include the Pre-Budget Statement, the Executive's Budget Proposal, the Enacted Budget, In-Year Reports, Mid-Year Review, Year-End Report, and Audit Report.	



Strengthen international tax cooperation to tackle tax avoidance and evasion, including IFFs			
Agree an official definition of IFFs, and mandating impartial official estimates	We agree to develop a unified official definition of illicit financial flows, and mandate impartial official estimates of these flows.		This will be necessary to measure and follow up on the achievement of target 16.4 to reduce illicit financial flows.
Enhance financial transparency through country-by-country reporting of corporate tax information and public beneficial ownership registries	We commit to increase global financial transparency through the implementation of public country by country reporting for multinational companies of all information needed to trace tax evasion, and public beneficial ownership registers of companies, trust, and similar legal structures.	Public country-by-country reporting will provide the information needed to assess whether multinational corporations are paying taxes where the economic activity takes place, and is thus a key tool in the fight against tax evasion and corruption. Public beneficial ownership registries of companies, trusts and other similar legal structures will provide transparency around the use of shell-companies, and thereby support the fight against tax evasion, IFFs and money laundering.	These measures are crucial tools to achieve target 16.4 and 16.5 to reduce illicit financial flows and corruption. The current SDGs do not contain any action oriented targets to reduce illicit financial flows or to stop tax evasion. Thus it is of great importance that the FfD resolution secures action to achieve these targets.
Enhance multilateral, automatic exchange of tax information	We commit to multilateral automatic exchange of tax information, with the option of non-reciprocal information exchange for countries with low capacity.	Automatic exchange of information is a key tool in the fight against tax evasion, corruption and illegal trade with humans, drugs and weapons. In order to ensure that the poorest countries are not excluded from the benefits of such a mechanism, a	This measure is another crucial tool to achieve target 16.4 and 16.5 to reduce illicit financial flows and corruption. The current SDGs do not contain any action oriented targets to reduce illicit financial flows or to stop tax evasion. Thus it is of great importance that the FfD resolution



		transition period must be introduced which allows them to receive information automatically even before they have the capacity to provide the same type of information back to the sender.	secures action to achieve these targets.
Upgrade the UN tax committee into a standing intergovernmental committee	We commit to the establishment of an intergovernmental body on global cooperation in tax matters, with equal representation, and under the auspices of the UN.	This proposal is vital to ensuring that the tax related policy decisions from the Addis conference can be carried forward and turned into concrete instruments and standards. It is also vital for ensuring that the more than 100 countries, which are not part of the OECD and G20, will be able to participate on an equal footing in the development of international tax standards.	Since global cooperation on tax matters under the OECD or G20 does not cover the special needs of developing countries and LICs, there is an urgent need for a global body which can agree on concrete measures to achieve target 16.4 on reduction of IFFs, 16.5 on corruption, and 17.1 to improve domestic capacity for tax and revenue collection in developing countries. Neither of these targets is measurable or action oriented.
Minimizing wasteful tax competition			
Ensure tax incentives are in line with sustainable development. <i>AND</i> Ensure full transparency of tax incentives and tax holidays.	We commit to ensure that tax incentives and holidays are in line with sustainable development, and fully transparent.	Current tax incentives are seriously undermining tax collection and thus the generation of financing for development. IMF has shown that they often are unnecessary. In addition, lack of transparency encourages corruption and undermines a democratic dialogue about their existence.	This is an important measure for the success of target 17.1 to strengthen domestic resource mobilization, which does not include any action.



Domestic and international private finance			
Strengthening the sustainable development impact of investment			
Require all companies and asset managers to undertake mandatory environmental, social and governance (ESG) reporting	We commit to effectively implement mandatory environmental, social and governance reporting (ESG) for all publicly listed companies and asset managers, including through integrated and country by country reporting	The alternative presented on voluntary reporting distorts competition and maintains business as usual. The data collected on ESG reporting should be open and accessible to all actors, (much of this data is currently behind paywalls), and available in one central place, rather than on the websites of companies or in PDFs. An open database on companies for ESG could be considered. Such measures should also be measurable on gender, and sex-aggregated.	The SDGs lack any action oriented targets on corporate accountability, and thus ignores a stakeholder with a tremendous impact on sustainable development. If they are to succeed, the FfD MUST correct this loophole. This measure on mandatory reporting, combined with the measure below on implementing the UN Guiding Principles for Business, are crucial for the achievement of the SDGs.
Implement the UN's Guiding Principles on Business and Human Rights (UNGPs), core labour standards of the ILO, and relevant environmental standards, with enforcement and accountability mechanisms.	We commit to effective implementation of the UN guiding principles for business and human rights, the OECD guidelines for Multinational Enterprises, the core labour standards of the ILO, and to set up effective mechanisms for resolving disputes between corporations and communities or individuals, and compensate parties that have been negatively affected by corporate activities.	UNGP were unanimously endorsed in 2011 by the United Nations Human Rights Council. The alternative presented, which suggests only to "encourage companies" distorts competition and maintains status quo. UNGP must be complemented by environmental guidelines, and would be strengthened by the labour standards of ILO.	See the comment above.



Harnessing the potential of public private partnerships (PPPs) while addressing risks			
Develop and adopting principles and standardized documentation for PPPs, which include transparency, accountability, equity, fairness, sustainability.	We commit to develop and implement common principles and standardized documentation for PPPs, which include transparency, accountability, equity, fairness, sustainability, cost benefit analysis, and strong monitoring and evaluation.	This is of great importance to ensure that PPPs as well as other private sector approaches such as blending and leveraging does not cause harm, and contribute to sustainable development. These guidelines should also be applied to climate PPPs.	This measure is important to complement and specify target 17.17 on effective public private partnerships, which neither is action oriented nor measurable.
Develop a set of standards for when use of PPPs is strategic and appropriate.	We commit to develop and implement a set of standards for when use of PPPs is strategic and appropriate, which will take the sustainable development impact, additionality, national and local ownership, risks, and transparency into account.	The number of PPPs is growing, and there are many examples of PPPs that cause harm on sustainable development. There is an urgent need for standards which will ensure that public money invested in PPPs actually contribute to sustainable development, in a way which is prioritized by the country hosting the operation. Equity concerns should be addressed in terms of equitable and affordable access to infrastructure and services.	See the comment above.
International public finance			
Meeting ODA commitments			



All developed countries meet the 0.7 target <i>AND</i> set concrete and binding timetables to meet commitments <i>AND</i> reaffirm existing [ODA] targets for LDCs with binding timetables	We reinforce previous commitments of developed countries to meet the target of 0,7% of BNI as ODA, where of 0,2% to the least developed countries, and commit to develop and implement concrete, transparent and binding timetables for implementation.	Considering the track record of fulfilling both the 0,7% ODA commitment, and its share to LICs, binding timetables will be a key instrument for ensuring action and accountability.	This will support and operationalize target 17.2, and contribute to important indicators.
Enhancing synergies between ODA and climate finance while ensuring that ODA is not diverted from the poorest households and countries			
Ensure additionality by increasing both climate finance and ODA net of climate finance	We reaffirm the additionality of climate finance to ODA, and undertake to reinforce it by fulfilling both ODA and climate finance commitments according to transparent and predictable timetables.	Considering the track record of fulfilling both previous ODA and climate finance commitments, binding and transparent timetables will be a key instrument for ensuring action and accountability.	This supports and operationalizes both target 13 a, and 17.2 in the SDGs. Fulfillment of both previous climate finance and ODA commitments are crucial to finance and achieve the SDGs.
Set up an expert technical group to develop and present to Member States options for a coherent framework that accounts for climate finance and ODA in a transparent manner.	We give our mandate to the UN to set up an expert technical group to develop and present to Member States options for a coherent framework and timetables that accounts for climate finance and ODA in a transparent manner.	A coherent framework is needed to ensure that climate finance is new and additional to existing ODA commitments, and to make both the boundaries and synergies between climate finance and ODA clear.	
Implementing innovative financing mechanisms on a larger scale			
Encourage countries to implement the International Solidarity Levy on Air	We give our mandate to the UN to set up an expert technical group to develop	An intergovernmental tax body under the UN could take these proposals	This kind of innovative global financing will be necessary to finance the SDGs,



Tickets; explore options for a financial transaction tax in additional countries; for a carbon tax, for taxing fuels used in international aviation and maritime activities; for implementing additional tobacco taxes.	and present to Member States options to implement a global International Solidarity Levy on Air Tickets, a global financial transaction tax, a global carbon tax for taxing fuels used in international aviation and maritime activities, and for implementing additional global tobacco taxes.	further, negotiate and implement them.	especially in the light of the lack of fulfillment of ODA and climate finance commitments.
Trade			
Agreeing sustainable-development-oriented multilateral trade rules			
Include sustainable development in trade rules where appropriate	We commit to undertake international sustainable development and human rights impact assessments of all trade and investment agreements, and to adapt rules in the WTO and regional or bilateral agreements accordingly.	Currently the WTO and other trade and investment agreements overrule agreements on human rights, social conditions or the environment.	Trade is an important tool to achieve the SDGs. If it is not ensured that trade is coherent with sustainable development and human right, but harms them, the SDGs won't succeed.
Implement the principle of special and differential treatment for developing countries	We commit to effectively implement the principle of special and differential treatment for developing countries, in particular for least developed countries, as agreed in the WTO.	Although agreed in the WTO and urgent, the implementation is lagging behind and need to be pushed.	This supports target 10 a in the SDGs.
Helping LDCs and other countries in special situations benefit further from international trade			



Correct distortions in world agricultural markets, especially from export subsidies	We commit to rapidly eliminate all forms of agricultural export subsidies and all export measures with equivalent effect, in accordance with the mandate of the Doha Development Round, and the Hong Kong Ministerial Declaration.	Elimination of agricultural export subsidies has already been agreed upon in the WTO, and the wording "elimination" of agricultural export subsidies is included in the SDGs. Therefore the issue should be the elimination of export subsidies.	This supports target 2.b. in the SDGs.
Agree to rules for public stockholding for food security.	We commit to align rules for public stockholding in the WTO and other trade agreements with food security, and the achievement of the common goal to end hunger, achieve food security and improve nutrition.	WTO rules make crucial public stockholding of food for food security reasons difficult/impossible.	To be able to achieve the SDG goal on hunger and nutrition, trade rules must become coherent with food security.
Trade agreements are not aligned with the SDGs. Suggested proposals include			
Commit to human rights impact assessment of all trade and investment agreements	We commit to undertake international sustainable development and human rights impact assessments of all trade and investment agreements, and to adapt rules in the WTO and regional or bilateral agreements accordingly.	Currently the WTO and other trade and investment agreements overrule agreements on human rights, social conditions or the environment.	Trade is an important tool to achieve the SDGs. If it is not ensured that trade is coherent with sustainable development and human right, but harms them, the SDGs won't succeed.
Strengthen public interest exemptions under the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs) for health, and technologies for climate change	We commit to strengthen public interest exemptions under the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs) for health, environmental technologies and	The TRIPS agreement in the WTO is severely limiting the access to medicines and environmentally friendly technologies in developing countries.	This measure is extremely important to achieve the SDGs on health and climate. The SDGs has a target on TRIPS flexibilities for medicines (3b), but not on environmental technology. The



mitigation and adaptation.	technologies for climate change mitigation and adaptation to provide access to affordable essential medicines and vaccines, and environmentally sound technologies.		formulation of this policy proposal is better and covers both.
Aligning investment agreements with sustainable development policies and plans			
Elaborate and implement binding environmental, social and human rights standards	We commit to elaborate and implement international binding environmental, social and human rights standards in trade and investment agreements	Currently the WTO and other trade and investment agreements overrule agreements on human rights, social conditions or the environment.	Trade is an important tool to achieve the SDGs. If it is not ensured that trade is coherent with sustainable development and human rights, but harms them, the SDGs won't succeed.
Guarantee transparency in arbitration and publication of arbitral awards.	We commit to full public transparency in arbitration and publication of arbitral awards of trade and investments agreements	Lack of transparency is causing unjust and undemocratic procedures today.	This would help to operationalize important parts of target 17.10
Sovereign debt (This title should be changed back to the title from Monterey, <i>External debt</i> , since sovereign debt leaves out private debt, which constitute a big part of the debt burden of states)			
Strengthening debt crisis prevention			
Adhere to UNCTAD Principles on Responsible Sovereign Lending and Borrowing	We commit to adhere to the UNCTAD Principles to Promote Responsible Sovereign Lending and Borrowing.	The UNCTAD principles constitute an important instrument to prevent new debt crises from occurring both in the developed and developing world, and	This measure is crucial to operationalize target 17.4 on long term debt sustainability, and reducing debt distress,



		provide for a fair burden-sharing between public and private sectors and between debtors, creditors and investors.	since the target isn't action oriented.
Incorporate financing the SDGs into debt sustainability frameworks and assessments; better use of debt sustainability assessments for setting the type of development assistance	We commit to develop new debt sustainability frameworks and assessments where financing of the SDGs is incorporated.	Debt sustainability is currently not assessed with view to the financing needs of SDGs. Countries that don't have sufficient domestic resources to finance SDGs need debt relief.	See the comment above. Debt sustainability frameworks that also incorporate the financing of SDG's will secure more sustainable, development oriented and responsible debt levels.
Improving information on debt stocks and flows			
Initiate country-owned national debt audits in creditor and debtor countries.	We undertake to initiate country-owned national debt audits in creditor and debtor countries, based on Principles for Responsible Sovereign Lending and Borrowing, and to cancel debt which is found to be illegitimate.	Debt audits are essential tools to resolve current debt crises and prevent new crises. There is a strong focus on the quantitative data on debt. Debt audits can provide qualitative data on debt which can complement debt sustainability analyses. Scrutinizing old debts along responsible financing standards in order to examine the legitimacy of debt is the only way to secure that responsible lending standards are being upheld, and a tool to hold both lenders and borrowers accountable for their actions. Cancelling illegitimate debt will discourage creditors from lending money to illegitimate purposes where	This measure is crucial to operationalize target 17.4 on long term debt sustainability, and reducing debt distress, since the target isn't action oriented.



		loans don't have a developmental effect.	
Improving the framework for sovereign debt restructuring			
Continue existing discussions on a multilateral framework for sovereign debt restructuring.	We commit to continue existing discussions on a multilateral framework for sovereign debt restructuring, following from UNGA resolution (A/68/L.57/Rev.1).	Sovereign debt is the only category of debt not covered by an orderly insolvency regime. A multilateral legal framework can close this important governance gap, and help resolve debt crises and restructure and cancel the debt of countries in distress. The UNGA has already started the important work of creating an independent multilateral legal framework for sovereign debt restructuring. The FfD process needs to make direct links to this process in order to stay ambitious and consensus oriented.	This measure is crucial to operationalize target 17.4 on long term debt sustainability, and reducing debt distress, since the target isn't action oriented.
Systemic issues			
Aligning international rules and standards with sustainable development objectives			
Use a broader metric of wellbeing than GDP as a sustainable development indicator	We commit to develop and implement a broader metric of wellbeing than GDP as a sustainable development indicator,	To transform development into sustainable development, it will be crucial to measure success with new	This measure complements target 17.9 in the SDGs on developing measurements of progress on sustainable development that



	including the costs of human and environmental capital	eyes/tools.	complements GDP, but which doesn't state in what way it should complement GDP, and need clarification.
Enhancing developing countries representation in global economic governance			
Further enhancing the voice and vote of developing countries in the IFIs.	We commit to further enhancing the voice and vote of developing countries in the IFIs, through double majority voting, reforming the quota formula on the basis of variables that reflect 'demand' for finance, and transferring Board chairs from underrepresented to overrepresented constituencies.	This measure is necessary to increase the legitimacy, efficiency, and accountability of the institutions, as well as to improve global partnership.	This measure is crucial to operationalize target 10.6 which isn't action oriented.
Introduce open, transparent, gender-balanced, merit-based selection of senior leaders of all international institutions	We commit to introduce open, transparent, gender-balanced, merit-based selection of senior leaders of all international institutions.	The lack of this is a major problem and obstacle to sustainable and equitable development today.	This will strengthen target 10.6, and go beyond it to include gender.
Monitoring, data and follow-up			
Monitor commitments effectively			
Institutionalize participatory peer reviews on implementation of FfD, including spectral areas of	We undertake to institutionalize participatory peer reviews on implementation of FfD, including	This measure is important to secure implementation of the resolution.	



commitments	spectral areas of commitments.		
Strengthen the intergovernmental follow-up process			
Ensure complementarity and integration of the FfD follow-up mechanisms with other related processes, in particular the High-Level Political Forum on Sustainable Development and the Development Cooperation Forum, within a coherent and streamlined system.	We commit to ensure complementarity and integration of the FfD follow-up mechanisms with other related processes, in particular the High-Level Political Forum on Sustainable Development and the Development Cooperation Forum, within a coherent and streamlined system.		The HLPF will be an important tool to create coherence between FfD and the SDGs.

[1] The obligation to provide universal social protection was recognized by governments in the outcome document of the High-Level Plenary Meeting of the GA on the MDGs, Keeping the Promise (para. 70(g); and is reiterated in Rio+20 Outcome Document, The Future We Want (2012), para. 156 and ILO Recommendation 202: Recommendation concerning National Floors of Social Protection (2012), which recommends that Members establish social protection floors as a fundamental element of their national security systems.