

NEW BEGINNINGS FOR DEVELOPMENT FINANCE?

WHAT IS AT STAKE AND WHAT IS NEEDED TO SECURE INTERNATIONAL FINANCE IN TIMES OF CRISES

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INTRODUCTION

In January 2022, the development community had come to terms with the COVID-19 pandemic and the economic and financial crises left in its wake. Or so it seemed. Svenja Schulze, in her new job as German minister of development cooperation, told German parliament that she wanted to make 2022 a “year of new beginnings” (Deutscher Bundestag 2022). While there was not yet any cause for celebration, the task that lay ahead, it seemed, was at least starting to become a little clearer. Under the headline “Bridging the Finance Divide”, the Inter-agency Task Force on Financing for Development (IATF)’s annual Financing for Sustainable Development Report highlighted the problems of developing countries in dealing with the financial constraints that had sharply tightened during the pandemic. The report proposed solutions and expressed cautious optimism that existing international institutions would be able to deal with the challenges ahead (United Nations 2022a).

Then came the Russian invasion of Ukraine, and so much changed within such a short space of time. A coalition of Western countries was quick to introduce sanctions, most of which they aimed at financial vehicles. Russia was excluded from the Society for Worldwide Interbank Financial Telecommunication (SWIFT). The Bank of Russia lost access to much of its foreign exchange and gold reserves. Defense spending in donor countries began to skyrocket. Millions of Ukrainians fled the country. Commodity prices, most notably on fossil fuels, foodstuffs, and agricultural inputs, rose instantly, putting global financial institutions and markets under significant additional stress. Potentially more serious, however, is the era of geopolitical tension in which we now find ourselves and the repercussions that this will likely have on the ability of the international community to react in the wake of global financial pressures.

In short, the first few months of 2022 have not only added to existing problems that are very likely to derail the implementation of Agenda 2030 – the measure of success for the international community in achieving sustainable development – but have also diminished the number and scope of many of the instruments and institutions tasked with keeping it on track and speeding it up. UN Secretary-General António Guterres summarized the situation in his remarks during the opening of the 2022 High-Level Political Forum on Sustainable Development in alarming terms:

“The world faces cascading crises that are causing profound suffering today, and carry the seeds of dangerous inequality, instability and climate chaos tomorrow. The ripple effects of Russia’s invasion of Ukraine have hit amid a fragile and uneven recovery from the COVID-19 pandemic, while the climate emergency is gathering pace.” (United Nations 2022b)

GLOBAL ECONOMY AND FINANCE IN THE FIRST HALF OF 2022

One of the most immediate problems facing countries in 2021 was the severely constrained fiscal space resulting from falling income and rising spending needs. German platform *erlassjahr.de* (Jubilee Germany) calculates that 83 low and middle-income countries were forced to cut public expenditures and that this number would increase to 115 by 2023 (Stutz 2022: 30). This is very likely an underestimation since these calculations were made before Russia’s invasion of Ukraine on February 24, 2022. Budgetary constraints will certainly increase, particularly in countries depending on imports of, for example, food and fossil fuels.

One result of this development is very probably a deepening global debt crisis. *Erlassjahr.de*’s analysis suggests that, by 2022, against the backdrop of the Corona

pandemic, the number of critically-indebted countries in the Global South has risen to 135 (out of 148) – an increase of three on the previous year’s already high forecast. In addition, the already critical situation of a larger number of countries was exacerbated. Of these 135 countries, 97 are listed in particularly critical categories, marking a 13 percent increase during 2021. Hopes for a quick recovery had not been fulfilled, especially in the Global South, and in contrast to the pre-crisis years, public sector debt has risen disproportionately (Rehbein 2022a: 8).

Adding to these constraints are price increases that have taken the shape of higher than usual overall inflation in many countries, including those in the developed world. Consumer prices in the members of the Organisation for Economic Co-operation and Development (OECD) rose by 9.6 percent year-on-year in May 2022. Most of this increase is attributable to food and energy prices, which cause overall price increases for other goods and services (OECD 2022a). Experts see causes for these increases mainly in value chain disruptions (inter alia caused by China’s COVID-19 strategy), diminished exports from Ukraine, and shifts in demand in Western countries away from Russian fossil fuels. In some countries, this is emphasized by the lingering effects of COVID-19 stimulus packages, particularly in the United States.

While there seems to be a consensus that monetary policies are only a small part of the inflation equation, political and public pressure on central banks is rising with the aim of tightening credit purchase programs and raising key interest rates. The degree to which central banks have given in to that pressure obviously depends on national or regional circumstances. While the U.S. Federal Reserve has taken a rather activist approach, the European Central Bank is more cautious, having to face sovereign debt problems in various member countries. Nevertheless, monetary tightening under an economically already tense situation is risky. It could well deepen a looming economic downturn and/or even depression with global repercussions. However, even before that, the reversal of monetary policies in lead currency areas will have effects on sovereign borrowers in the Global South. Their credit costs will rise, and the value of their currencies will fall (Singh 2022). Highly import-dependent countries, already among the poorest economies, are going to find themselves in trouble.

Oil-producing countries such as Angola, Nigeria, South Sudan, Congo, some Arab countries, and Venezuela will most certainly benefit from increased demand and higher global oil prices, especially since Europe is looking for alternative sources of fossil fuels. However, these positive effects will need to be well managed, and instruments will need to be put in place so that profits are felt within societies and not just distributed among a small number of (frequently foreign) companies (UNDP-RBA 2022: 2). In fact, the re-orientation of Western countries away from Russian oil and gas towards new energy sources like “green” hydrogen and other essential raw materials is no small matter. The question is not just which economic block or area will be able to best secure access but also whether economically benefitting countries put their position to good use. It might be time to dust off those old textbooks on rentier states.

What will also put renewed pressure on the budgets of recipient countries is shrinking aid funds in the Global North because of the war in Ukraine. Sweden has already announced that it will divert Official Development Assistance (ODA) funds away from other regions in order to host refugees (Chadwick 2022). Germany will be hard-pressed to keep achieving the 0.7 % target with overall government expenditures rising due to enormous defense increases, subsidies for citizens faced with energy price inflation, and the wish to return to balanced budgets from 2023 on. However, even if overall ODA does remain stable, increased spending for Ukraine and neighboring countries will diminish available funds elsewhere. It seems reasonable to assume that the same holds true for other donors.

ISSUES FOR DEVELOPMENT FINANCE

To make matters worse, these issues come on top of sometimes decades-long inadequacies in development finance. These issues have been clear for some time, having been spelled out in the Monterrey Consensus of 2002 (United Nations 2002) and further updated as a result of the 3rd International Conference on Financing for Development in the so-called Addis Ababa Action Agenda (United Nations 2015). Gaps in the ability of the international community to deal with the fundamentals and architecture of the international financial system are evident in all of the “action areas” on which the action agenda is structured. This is important in that it not only provides direction for UN and other international

organizations' efforts for financing sustainable development but also spells out the means by which to implement the Sustainable Development Goals (SDGs) as an integral part of Agenda 2030.

TAXATION

Notable, for example, are the remaining gaps in international cooperation in taxation matters. While some progress has been made in terms of capacity building (e.g., with the establishment of the Platform for Collaboration on Tax by the International Monetary Fund (IMF), OECD, UN, and World Bank Group), there still is no meaningful and universal body to deal with the distribution of tax base, the fight against harmful tax practices, or how to properly tax transborder digital services. The OECD/G20 two-pillar approach to some of these issues lacks democratic legitimacy and – by design – does not take the interests of smaller and developing countries into account (United Nations 2022c: 44f), who, in effect, hardly profit from the approach at all (Ovonji-Odida et al. 2022). At the same time, concrete civil society proposals, including for a UN tax convention (Ryding 2022), are currently garnering support (UN General Assembly 2022, para. 44).

PRIVATE FINANCE AND INVESTMENT

Even in an area that has commanded a lot of attention in recent years, progress seems to have been limited to attempts at attracting private capital for investments in sustainable development. While many approaches have been tested – from various forms of subsidies to what could be called joint ventures (so-called blending, leveraging, and public-private partnerships) – most instruments have yet to demonstrate meaningful positive results (Lethbridge/Gallop 2020; Attridge/Engen 2019).

Even more structural approaches under the label of Sustainable Finance, such as various taxonomies for what constitutes sustainable investments, will have to prove their worth. Experts are voicing their doubts that even the best definitions and regulations would be enough to balance counteracting flaws in the financial system (Senn et al. 2022). Truly global approaches are in their early stages at best.

One item that has shown some movement is infrastructure finance. At the Group of 7 (G7) summit in Elmau, Germany, heads of state announced their commitments to “collectively [mobilize] up to USD 600 billion in public

and private investments with a particular focus on quality infrastructure over the next five years” (G7 Germany 2022: 16). This builds on previous plans, for example by the European Commission’s “Global Gateway” initiative and is clearly positioned as a competitor to China’s “Belt and Road Initiative”. How much of this pledge is going to materialize remains to be seen, especially since it depends heavily on the participation of private actors. However, it is yet another reminder of the fact that development finance is not merely an altruistic endeavor but is laden with national and economic interests. One does not need much imagination to see that this kind of investment will be targeted at infrastructure intended to deliver on the resource needs of investors.

OFFICIAL DEVELOPMENT ASSISTANCE

When it comes to more traditional forms of ODA-measured development finance, the distance between promises made and promises kept has become so commonplace that donors no longer seem to see the need to mention it (G7 Germany 2022). “The 2021 ODA total is equivalent to 0.33 % of DAC [OECD’s Development Assistance Committee] donors’ combined gross national income (GNI) and still below the UN target of 0.7 % ODA to GNI” (OECD 2022b). This lack of funding cannot be masked by the various attempts to redefine, reform, or replace ODA through alternative measures such as the Total Official Support for Sustainable Development (TOSSD).¹ These instruments, while certainly adding to analytic clarity, will not necessarily provide higher actual funding.

While international financial support is stagnating, one area that has seen rapid movement is the development of a new approach to work on financing at country level, known as Integrated National Financing Frameworks (INFFs). While the concept certainly has its merits if it delivers effective financing frameworks based on national priorities and human rights standards, civil society organizations have formulated concerns. They see a very real danger that INFFs focus too strongly on national circumstances, that they, in reality, risk eroding democratic ownership if the role of international institutions is too large, and that some of the specific tools may, in fact, derail a country on the path towards achieving the SDGs (CS FfD Group 2022b). This is particularly relevant with regard to some of the specific tools used in INFFs, such as the IMF’s Debt Sustainability Analysis. Civil Society analysis points to austerity measures and higher debt

burdens that may ensue in following recommendations arising from the application of those tools (Munevar 2020).

TRADE

Trade has been an integral part of the Financing for Development (FfD) process from the beginning. However, it has not exactly yielded promising results, mainly because there is a difference of opinion among member states about what decision-making capacity should be left to the World Trade Organization (WTO), an organization with problems not only in adapting its own agenda in light of future challenges but also with competition in the form of bilateral, multilateral, and regional trade and investment agreements. Nonetheless, even if one considers the WTO as the most appropriate or most important place for discussions and decisions on trade and its impacts on development, the outlook is clouded, especially after the recent 12th WTO Ministerial Conference in Geneva. While the WTO itself did spin the outcome as “unprecedented” (WTO 2022), most civil society activists working on trade held a somewhat different view:

“The agreements should herald a warning to all: rich country governments professing new commitments to sustainable and worker-centered trade are just as likely to push anti-development outcomes and cosmetic window-dressing when it comes to protecting Big Business profits above the public interests.” (James 2022)

Trade experts and others were particularly disappointed in the WTO’s failure to deliver on a waiver of protections under the Trade Related Intellectual Property Rights (TRIPS) agreement. The governments of the European Union, the United States, the United Kingdom, and Switzerland were so successful in keeping restrictions in place for making COVID-19 vaccines, treatments, and tests available to more people that some are calling the result “a ‘TRIPS-plus’ agreement rather than a real waiver”. Countries with the ability to produce vaccines are even asked to refrain from using the little flexibility they have at their disposal (ibid.).

Overall, critics paint a dark picture of the organization’s set-up to tackle future challenges in trade (such as how to deal with e-commerce) and of the reform of its working mechanisms and procedures:

“This was not multilateralism [... but] the result of extreme bias of the [WTO’s Director General (DG)]

in favor of developed countries, and bullying by rich countries and the DG of developing countries and their agendas. The conclusion opens the door to ‘WTO reform’ through even more biased processes in the future [...].” (ibid.)

DEBT

As mentioned earlier, the world is currently facing a very real debt crisis. This does not just affect low-income countries, as the very messy default of Sri Lanka in April of 2022 shows. However, the international community currently does not seem to be in a place to tackle the issue sustainably. While the G7 does recognize the urgency of the situation, its only solution offered is a reliance on the G20 Common Framework for Debt Treatments (Common Framework) and the Debt Service Suspension Initiative (DSSI). This is utterly insufficient and highly problematic. For one thing, Common Framework and DSSI are in danger of not providing breathing space for countries in need, particularly because they fail to effectively include private creditors (Rehbein/Kaiser 2021), who currently hold more than 60 percent of developing country debt (Rehbein 2022c: 68).

The even bigger problem is that the G20 seems in no place to alleviate the situation. Since the meeting of the group’s finance track in Jakarta on February 17-18, 2022, there have been no joint declarations, communiqués, or any text for that matter. Insiders speak of a confrontation between OECD members and China, particularly around debt issues. This is fueled by differences in opinion about how to deal with the Russian Federation, a G20 member, but it is not all about who likes whom. One issue is the treatment of debt held by the China Development Bank (CDB), with the Chinese government considering the CDB a commercial bank and, thus, a private creditor not covered by the DSSI (Rehbein 2022b: 20).

SYSTEMIC ISSUES

This block confrontation has also become visible in discussions around what in the FfD process is labeled “systemic issues”. Just like the G20’s finance track meeting in Washington, D.C., the spring meetings of the Bretton Woods Institutions (BWI) concluded without a communiqué (Bretton Woods Project 2022). While there is not necessarily disagreement on every single substantive issue, fundamental conflicts around debt treatment and differing perceptions of non-financial issues, including

Russia's invasion, have created a political environment that makes compromise more difficult. In other words, international organizations officially tasked with providing systemic and structural answers for how to achieve sustainable development will have a difficult time doing so.

The timing could not be worse given the range of currently very pressing questions:

- How can Special Drawing Rights (SDR), allocated in August 2021 to provide extra fiscal space for countries hit by the COVID-19 pandemic, be channeled to those that need it the most? While G7 countries have pledged to make some of their share available,² including through the newly established Resilience and Sustainability Trust, there are a range of hurdles facing countries wanting to do so. Solutions could include reforms to national laws, changes to the allocation formula as well as expanding the list of prescribed holders of SDR (Ellmers 2021). The Civil7 – one of the official “Engagement Groups” in the G7 process – are calling for a new SDR allocation in 2022 of USD 2.35 trillion (Civil7 2022: 11). This question has been under discussion since the introduction of SDR in 1969 (Overseas Development Institute 1983).
- Where can we better coordinate monetary policies of central banks reacting to rising prices so as to avoid what happened during the so-called “Taper Tantrum” of 2013 (Singh 2021, 2022)?³ How can the shift in central banks’ policies from being a “lender of last resort” to a “market-maker of last resort” be accommodated in an internationally coordinated manner? In the wake of financial crises in 2008/09 and during the COVID-19 pandemic, central banks were forced to intervene in repurchase agreement markets in order to halt a potential collapse of the shadow banking system, which was endangering the whole financial system (Wullweber 2021: 230ff).
- How will countries deal with corporate concentration, particularly in the tech sector, that has reached levels dangerous not just to the functioning of markets but also democracies (Teachout 2020)? How can this be coordinated globally?
- What role is there for credit rating agencies (CRA) in the future? How can they be better regulated in order that their rating methodologies do not decrease the

fiscal space of developing countries through their influence on credit worthiness – which has been called into question by civil society (CS FfD Group 2022a)?

This list of issues could easily be expanded upon to include the financing for global organizations, the shadow banking system, the special needs of Least Developed Countries, or the financialization of global agriculture.

A WAY FORWARD?

In turning this long list of problematic issues on its head, we are essentially left with a catalog of institutional innovations ripe for the picking by the international community. What is also becoming more and more obvious, at least in my view, is that the types of solutions proposed over recent years have reached their limits. Focus, instead, needs to be shifted towards addressing the main structural issues outlined above, many of which will require institutional reform or innovation:

- There is an urgent need to establish global institutions for collaboration on tax that goes beyond capacity development and conflict resolution between industrialized nations. Civil society organizations have put forward a range of proposals on what this could entail, from reshaping global tax governance by establishing an intergovernmental body on tax at the UN (Obenland 2016) to a UN Tax Convention (Ryding 2022). What these proposals have in common is that they all put forward measures to decrease tax evasion and avoidance and to redistribute taxing rights in order to give developing countries more fiscal space.
- The ongoing debt crisis deserves more than the piecemeal approach applied by the G20, the IMF and others. In particular, the problems brought about by these institutions in incorporating private creditors into their initiatives are extremely worrying. Civil society activists have argued for many years that the issue deserves an institutional solution in the form of a sovereign debt workout mechanism under the auspices of the United Nations.
- The state of world trade also calls for revisiting a range of institutional arrangements in this sector, including not only the prevailing agreements that form the

basis of the WTO but also the plethora of trade and investment agreements formed on a continuous basis around the globe. Issues include reforming or replacing the TRIPS agreement, binding and enforceable sustainability requirements in all trade agreements, as well as democratic reform at the WTO, which is seeing a resurfacing of so-called Green Room talks⁴ and so-called joint initiatives (Grotefendt 2022).

- Finally, a discussion gaining more and more traction is that around the future role of the Bretton Woods system. To cite just one example in this debate, Tharman Shanmugaratnam, senior minister of Singapore, argues “we must repurpose the Bretton Woods institutions. [...] The IMF must be given the mandate to manage a stronger and more effective global financial safety net, more akin to how the leading central banks inject stability at home when a crisis hits. The global commons must be placed at the core of the World Bank’s mandate, together with poverty alleviation.” (Shanmugaratnam 2022: 8).

What is clear, I argue, is that we are facing a large divide between the tasks ahead and the ability of the international system to deal with them in its current configuration. New and persisting problems are surfacing daily, be it through the effects of the Russian invasion of Ukraine and the sanctions in its wake, the ongoing climate, biodiversity and chemicals crises, or the ongoing COVID-19 pandemic. Unfortunately, the signs that the international community will be up to the task of tackling them are dim at best. The G20 appears inoperable. IMF and World Bank are having issues of their own. The run for resources and accompanying geopolitical tensions between Western countries and emerging economies has only just started, and the – still – most important financial center globally (the United States) is in a state of dismantling its regulatory institutions through activist jurisprudence (Daniels/Bradley 2022; Porter 2022).

With these problems in mind, discourse seems to circle around – roughly speaking – three types of potential avenues for global decision-making to take: The first is a realpolitik approach. The G7 and China, in particular, as well as a handful of emerging powers, are currently trying to weave ‘partners’ into their economic and security architectures. The recent G7 infrastructure investment initiative is clearly mimicking the Chinese Belt and Road Initiative. New security partnerships are being formed, as

are resource deals to secure resource flows towards the economic centers in North America, Europe and Asia.

A second trend currently visible in international politics could be labeled mini- or micro-lateral. In several sectors, groups of countries – call them “coalitions of the willing” if you like – are shaping global rules in the attempt to make them de facto global standards. This is creating enormous pressure on countries to accept these standards if they do not wish to be excluded. To name just two examples of this: The OECD Inclusive Framework, the only place where effective international tax standards are currently being developed, is fraught with issues, from its initial composition⁵ right through to the rules it has come up with (the so-called two-pillar approach seems to not take the interests of developing countries into consideration (Ovonji-Odida et al. 2021)). At the WTO, a similar tendency is becoming more clearly visible. While the foundations of the organization (the General Agreement on Tariffs and Trade and the General Agreement on Trade in Services) are still in place and working, the last decades have shown the inability of the global community to update those agreements, for example, in the so-called Doha Development Agenda. Looking for ways around this, the number of (intra) regional, bilateral and multilateral trade and investment agreements is growing every year. In addition, even at the WTO, so-called joint initiatives are promoted as the way forward, basically increasing pressure on smaller WTO members to accept consensus that might not be in their interest. Critics are increasingly seeing “a pressure-cooker environment to accept whatever is on the table, or breakaway groups of developed countries launching negotiations on their wish-list and leaving development priorities behind.” (James 2022).

The third approach is aimed at refurbishing existing global governance mechanisms. UN Secretary-General António Guterres, for example, laid out his proposals in his *Our Common Agenda* report in 2021. He looks at making multilateralism more “networked”, “inclusive”, and “effective”, meaning overcoming institutional fragmentation, including more stakeholders better beyond governments, and delivering results (United Nations 2021: 65ff). A laudable effort, even if some of his more concrete suggestions already seem obsolete (such as the proposed biannual meetings of ECOSOC and G20, given the state of the latter). However, the approach is problematic in that it has a tendency to undermine existing – and still functioning – multilateral processes and

erode rights-based participation by opening the doors to undue corporate influence (CS FfD Group 2022c). Criticism of the UN Food Systems Summit of 2021 can be seen as a blueprint for what is perceived as problematic with the UN Secretary-General's approach overall (CSIPM 2021).

Obviously, these categories are not mutually exclusive, as they are not all-encompassing. Particularly since they fail to name a potential fourth option: Investing political will and capital into existing and astonishingly resilient, inclusive, and multilateral institutional arrangements. It is conceivable that actors conclude that clientelist, neo-colonial, cold-war-like structures are less predictable and more costly than multilateral 'democratic' institutions. They might also conclude that there still is value in member state-led processes that come to political conclusions rather than diverting responsibilities among stakeholders.

Furthermore, experience shows that even the mightiest of players are influenced by the responsibilities they bear in arrangements they are a part of. China still sees itself as a member of the family of developing countries and is, thus, unlikely simply to ignore smaller and poorer countries' issues. Even the U.S., while certainly self-interest driven, has taken on tasks in the interest of the international community. In short, governments – and particularly those that rely on international cooperation for their success – should carefully weigh their options and think hard about whether being part of a block confrontation is really more in their interest than investing in multilateral, rules-based institutions. This might be even more obvious in a situation that has uncovered the various dependencies of Western economies on resources and value chains. Replacing one problematic source with another may not appear to be the preferred solution.

In terms of international cooperation on economic and financial issues, one solution – indeed possibly the only solution right now – is the United Nations Financing for Development process, a process that so far seems remarkably resilient to the effects of global conflicts. Since its beginnings in the early 2000s, the FfD process has sought to find common ground on many of the root causes for the difficulties international finance is in right now. It has dealt with systemic issues, with debt, trade, tax, development cooperation, and many other issues. It has made proposals to overcome the financial crisis of 2008 onwards (United Nations 2009) and the

COVID-19 pandemic. In fact, it has produced a plethora of options to escape the current crisis (Ellmers 2020).

FfD derives its legitimacy from its universal membership. The fact that it has not yet become as effective as many civil society observers would like is primarily because the richer and larger countries, in particular, have so far simply found it too onerous to engage in the often protracted and complex attempt to find solutions together with all UN members. Club formats such as the G20 or the OECD seemed more attractive.

When these formats fail, however, it is time to stop negotiating the rules of the game for global finance among large and powerful countries. Instead, it needs to be re-balanced globally, taking all countries into account on an equal footing. In light of new geopolitical constellations and, above all, a corrected understanding of who is actually dependent on whom in the global economy (members of the German government are currently engaged in frequent tours of African countries not, as it were, for their health), there may be a reassessment of the process. Indeed, in typical UN fashion, at the last meeting in the FfD process in April, governments decided to "invite the General Assembly to consider the need to convene a Fourth International Conference on Financing for Development" (United Nations 2022d: para. 72).

If properly prepared, this could indeed be the time and the place to learn from global crises and to establish new or reformed global institutions accordingly. Precedent can be found in how the negotiations for the 2030 Agenda for Sustainable Development were organized. Luckily, there is also much in the ongoing process to build upon. There is substance to the "Financing for Development in the Era of COVID-19 and Beyond Initiative" (Ellmers 2020) in the annual Financing for Sustainable Development Reports prepared by the IATF for the annual Forums on Financing for Development follow-up, and there are informal formats, such as the Group of Friends of Monterrey. What is missing, still (as of August 2022), is a government to make the leap and offer to host and organize such a conference.

Politically, what one or more governments need to discover is the fact that a 4th International Conference on Financing for Development (FfD4) could present a huge opportunity. It could be a place where actual compromise can be formulated in a way that is not neo-colonial, clientelist or the next iteration of an extractivist global

economy. It could be a space where development oriented level playing fields are created and transaction costs minimized. What this requires, however, are powerful governments willing to make meaningful concessions and give up some of their control over international institutions. Whoever is ready to take that plunge and actually open space for developing countries could be an important actor in helping to shape upcoming financial deliberations rather than to accept simply being shaped by them.

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- 1 TOSSD "is designed to monitor all official resources flowing into developing countries for their sustainable development, as well as private resources mobilised through official means. It also measures contributions to International Public Goods – up to now "invisible" in development finance statistics – that help countries reach their Sustainable Development Goals" (OECD 2022c)
 - 2 According to IMF quota, G7 members received 43.5 percent of SDR allocated; Germany, for example, received some 25.5 Billion SDR or 5.6 percent of the overall amount.
 - 3 "Taper Tantrum" refers to the effects of a brief reversal of quantitative easing policies in 2013, which lead to large exchange rate fluctuations and sovereign borrowing problems in emerging and developing economies.
 - 4 A euphemism for pressuring smaller country governments into agreeing to consensus that are not in their interest.
 - 5 Ten of its 141 members, for example, are non-sovereign dependencies of the United Kingdom.