

DEVELOPMENT WORKING GROUP



Chairperson's Statement: Emerging Principles on Fostering International Cooperation for the Protection and Delivery of Global Public Goods

FINAL DRAFT

CHAIRPERSON'S STATEMENT:

EMERGING PRINCIPLES ON FOSTERING INTERNATIONAL COOPERATION FOR THE PROTECTION AND DELIVERY OF GLOBAL PUBLIC GOODS

INTRODUCTION ¹

Globalisation has deepened interdependence and created development opportunities while also increasing systemic risks and vulnerabilities. The world is grappling with a range of global challenges. Simultaneously, many countries, notably developing countries, are facing slowing economic growth, measures which restrict or distort trade as set out in *Compromiso de Sevilla*, rising unemployment, declining investment, and escalating debt burdens, which are eroding hard-earned development gains and jeopardising progress in implementing the 2030 Agenda. Rapid technological change and a global rebalancing are adding complexity to the current outlook. With only five years left to achieve the Sustainable Development Goals (SDGs), renewing national and global commitment to delivering on the SDGs is critical and urgent. This requires common, coordinated and immediate action.

In addressing these global challenges, global public goods (GPGs) play a crucial role.² These goods benefit everyone (“non-excludable”), they can be utilised over and over without being depleted (“non-rival”), and they have positive cross-border externalities. Examples include climate and environment preservation, biodiversity and ecosystems, global health and extensive immunisation, scientific knowledge, and peace. What these goods also have in common is that no single country can provide them alone. The importance of GPGs at both national and local levels is undisputed and their optimal delivery and protection requires collective action. Additionally, because their impact and spillovers transcend national borders, GPGs benefit from international cooperation,

¹ This document on Global Public Goods has been prepared by the Republic of South Africa in its capacity as G20 Presidency. Brazil and Argentina do not endorse this document.

² While the term global public goods does not have a universally accepted definition, many global institutions are using working definitions; see e.g., [IMF, 2021](#); [World Bank, 2024](#); [United Nations, 2021](#); [OECD, 2024](#).

coordination for enhanced governance, and financing mechanisms.³

GPGs and the SDGs are interconnected, sharing significant conceptual and practical overlaps. The SDGs serve as a global roadmap for sustainable development, and as many of the challenges they address are global in nature, the SDGs contribute to the delivery and protection of GPGs.

Enhancing the continued protection and provision of GPGs presents several challenges, including coordination at all levels, governance, financing and international cooperation. Financing gaps remain a significant obstacle. While global-scale funding modalities to support the provision of GPGs are important, existing financing and coordination mechanisms need to be optimised to reduce the risks of financial fragmentation and inefficiency, thereby maximising development impact.

Formal approaches to cooperation and governance vary across GPGs. When arrangements are missing or inefficient, this weakens the ability to ensure consistent policy action. A coherent and well-structured approach is needed to ensure collective action and effective partnerships for the provision of GPGs. The Group of Twenty (G20) has a unique role in promoting action to support global sustainable development and prosperity for all.⁴

DEFINING THE CHALLENGE — THE NEED FOR PRINCIPLES ON GLOBAL PUBLIC GOODS

The continued protection and provision of GPGs is crucial for combating poverty, reducing inequality within and among countries, boosting shared prosperity, achieving gender equality and empowering all women and girls, and preserving the planet, thereby

³ As recognised in the United Nations (UN) Secretary General's report [Our Common Agenda](#), strengthening the governance of GPGs is crucial to ensure these contribute to the achievement of the SDGs, also noting that even where arrangements exist and may be clear, international agreements need to keep pace with rapidly evolving global contexts and the exacerbation of transboundary challenges.

⁴ The Development Working Group (DWG) has been tasked with driving development since its inception in 2010 and acts as a steward for action on accelerating the achievement of the SDGs in the G20 process as early as 2016, with the adoption of the [G20 Action Plan on the 2030 Agenda](#). GPGs are intricately connected to the SDGs and sustainable development, and thus the DWG has the mandate to platform GPGs for further considerations.



contributing to the attainment of the SDGs.

Finding joint and innovative solutions to cross-border challenges that protect and deliver GPGs is critical to ensuring better lives for all and securing our collective future, which will contribute to solidarity, equality, and sustainability. This requires coordinated collective action among countries at regional and global levels, a commitment to strong multilateral cooperation, greater policy coherence for sustainable development, and specific attention to the transboundary effects of domestic policies, including through active involvement and support for existing international frameworks that contribute to the protection and provision of GPGs. A clear articulation and understanding of the importance of GPG protection and provision at both national and local levels can further increase trust in multilateralism, and close participation and incentive gaps at all levels.

Globalisation has deepened interdependence and systemic risks, making the provision and delivery of GPGs both necessary and urgent. However, short-term policy horizons, a lack of commitment to implement existing frameworks and inadequate cooperation and coordination lead to the under-provision of GPGs. Mismanaged interdependence may result in unintended costs or even setbacks to human development, which calls for collective action to address interconnected challenges and break the “global gridlock”.⁵ Although efforts are underway, in some cases, these remain insufficient to improve the functioning and effectiveness of some existing global governance mechanisms. While policy-making tends to focus on the domestic level, the provision of GPGs depends on national, regional and global responses.

Enhanced joint efforts can contribute to building a 21st century architecture that delivers GPGs, translating into tangible benefits that improve daily life and foster public trust in collective action. This ramp-up of investment can unlock the growth story of the 21st century, yielding co-benefits, while avoiding the costs of inaction and generating substantial savings.⁶

⁵ As outlined in the [2023/2024 Human Development Report “Breaking the gridlock: Reimagining cooperation in a polarised world”](#).

⁶ As described in the [third report of the Independent High-Level Expert Group on Climate Finance “Raising ambition and accelerating delivery of climate finance”](#), 2024.

At the same time, a range of important international agreements, commitments, regimes and mechanisms that effectively contribute to coordination for the protection and provision of specific GPGs are in place. These include the UN Framework Convention on Climate Change (UNFCCC) and the Paris Agreement, the UN Convention on Biological Diversity (CBD), the Kunming-Montreal Global Biodiversity Framework, the UN Convention to Combat Desertification (UNCCD), the World Health Organization including through the International Health Regulations and the newly adopted Pandemic Agreement, the UN Educational Scientific and Cultural Organisation (UNESCO) through its Open Science Recommendation, the United Nations Conference on Trade and Development (UNCTAD), the World Trade Organization (WTO), at the centre of the international trading system, the International Monetary Fund (IMF) that maintains global macroeconomic and financial stability, and the UN Security Council preserving international peace and security. These arrangements need to be supported and, where appropriate, strengthened as they are key to collectively meeting our commitments on GPGs and ensuring our ambition to tackle global challenges, including acknowledging that our collective responsibility transcends not only borders but generations.

In addition, efforts are underway at the Multilateral Development Banks (MDBs), as the world's largest concessional financiers for sustainable development, to better address global challenges with cross-border externalities, often closely related to the provision of GPGs, as part of their business models. This has led to the development of new financing modalities and the mobilisation of additional resources. These include:

- The World Bank's new Framework for Financial Incentives for Projects that address Global Challenges with Cross Border Externalities (FFI). The FFI operationalises the institution's updated vision and mission of "ending poverty on a liveable planet". Based on country demand, it aims to incentivise collective action on critical global challenges as the first holistic MDB framework to provide dedicated tenor, volume and price incentives for projects addressing global challenges with cross-border benefits for International Bank for Reconstruction and Development (IBRD) clients. By June 2025, 14 shareholding countries have pledged around US\$2.7 billion via innovative instruments (hybrid capital and portfolio guarantee platform) to the IBRD,

which is expected to leverage US\$15.4 billion of additional funding over seven years to contribute to financing the provision of GPGs through the FFI.

- As part of the FFI, the Liveable Planet Fund (LPF) mobilises grants from donors and the IBRD net income, with \$244 million raised through IBRD net income and donor pledges, of which \$76 million was already allocated to operations by the end of June 2025. The LPF provides price incentives for projects that tackle global challenges and promote cross-border collaboration.
- In its 21st replenishment, the International Development Association (IDA) reflects the World Bank's evolution through the introduction of the new Global and Regional Opportunities Window (GROW), which finances country-level action to address global and regional challenges with cross-border externalities. This window provides additional resources on already highly concessional terms, with an expected total of up to US\$15.9 billion.

International financial institutions and regional development banks including the African Development Bank (AfDB), the Asian Development Bank (ADB), the Inter-American Development Bank (IDB), the European Bank for Reconstruction and Development (EBRD), the European Investment Bank (EIB), the Asian Infrastructure Investment Bank (AIIB), and the International Fund for Agricultural Development (IFAD) have integrated actions that contribute to the provision and protection of regional and global public goods into their strategic documents and are working on their operationalisation, taking into account specific regional needs and institutional comparative advantages. Some of the Regional Development Banks are already devising new or enhancing existing instruments and incentives to tackle global challenges; for instance, AfDB is exploring avenues for revamping its Middle-Income Technical Assistance Fund aiming to strengthen incentives for middle-income countries to invest in projects with demonstrated cross-border effects.

In this context, MDBs are also undertaking efforts to work more effectively together “as a system”, including by exploring common principles for concessionality and other

incentives to make progress on addressing regional and global challenges.⁷ Work to strengthen collaboration and coordination between MDBs, IFIs, public development banks and vertical funds, such as the Green Climate Fund (GCF), must also continue, including to strengthen technical assistance and capacity building. The Finance in Common Summit initiative is particularly relevant for deepening this work. Innovative financing mechanisms also hold promise in channelling investments for the protection of GPGs.

The G20 supports building on existing multilateral structures and frameworks, as well as on recent achievements and processes, some of which are driven by the G20 itself as well as by relevant institutions, to strengthen the optimal provision and supportive financing of GPGs. It also encourages greater alignment of national policies and financing — taking into account different country conditions — with the provision of GPGs, while advocating for coherent approaches and instruments and leveraging innovative mechanisms to support GPGs, including by setting incentives to increase investment.

EMERGING PRINCIPLES ON PARTNERSHIPS FOR THE OPTIMAL PROVISION OF GPGs

While there is no complete and universally accepted definition to date, we:

- Acknowledge that GPGs are, in principle, non-rivalrous and non-excludable and have positive externalities (or cross-border effects), and by their nature, their provision requires collective action.
- Recognise the importance of revamped international cooperation for the enhanced provision and protection of GPGs. Inclusive partnerships that bring together states and relevant stakeholders – including international organisations, the private sector, civil society, local communities, Indigenous Peoples, and academia – are a prerequisite in efforts to advance GPG provision.
- Support strong and effective multilateral frameworks that contribute to the provision of GPGs in a manner that respects international laws.
- Recognise that there is a need to better channel and harness existing sources of

⁷ Including based on the Viewpoint Note of Heads of MDBs “[MDBs Working as a System for Impact and Scale](#)”, the [report of the G20 Independent Expert Group “Strengthening MDBs –The Triple Agenda”](#) which was welcomed by the G20, and the 2024 [G20 Roadmap towards better, bigger and more effective MDBs](#), which was endorsed by the G20.

financing for the provision of GPGs both through increasing cooperation among countries — while taking into account different national circumstances — and with actors including the private sector.

- Encourage innovative financing models, including those being established through ongoing efforts to reform the MDBs and taking into account the *Compromiso de Sevilla*, which can support the provision of global public goods.
- Support robust and inclusive frameworks, including international regimes, organisations, and agreements to foster cooperation among existing entities to coordinate the effective provision of GPGs.
- Strengthen existing mechanisms for monitoring and evaluating progress for the enhanced protection and provision of GPGs, taking into account relevant coordination and governance structures.
- Encourage open, science-based and data-driven decision-making on SDGs, ensuring measurable impact, taking note of the work of the International Forum on Total Official Support for Sustainable Development (TOSSD), as one of the voluntary statistical frameworks to measure the progress in achieving the 2030 agenda.

The principles are set out below.

1. RESPONSIBLE EXERCISE OF SOVEREIGNTY

1.1 Uphold, in accordance with the Charter of the United Nations and the principles of international law, the sovereign right of states to exploit their own resources pursuant to their own development and environmental policies as well as their responsibility to ensure that activities within their jurisdiction or control must not cause damage to the environment of other states or areas beyond the limits of national jurisdiction.

2. SAFEGUARDING AND SCALING INTERNATIONAL REGIMES

2.1 Promote international cooperation and regulatory frameworks that maximise positive contributions to GPGs and the SDGs while ensuring the necessary safeguards to avoid adverse effects. In addition, GPGs should be managed equitably and in a just manner, ensuring their sustainability for current and future generations.

2.2 Enable the participation of all countries in such international frameworks, paying

specific attention to the most vulnerable and least developed countries. The contribution of relevant stakeholders, including international organisations, civil society, academia, and the private sector, among others, is indispensable.

3. STRENGTHENING MULTILATERALISM

3.1 Emphasise that a capable and effective multilateral system is critical to tackling global challenges to support GPGs and acknowledge that strong multilateral institutions facilitate comprehensive approaches to support the improved provision of GPGs, including through the key role of the G20, the ongoing reform efforts of the UN, the MDBs and the International Financial Architecture (IFA).

3.2 Recognise that equitable, inclusive, just, and fair frameworks for enhanced coordination and governance are important in our collective efforts to better address global challenges in an interdependent and interconnected world that requires revamped international cooperation to respond to the scale of global challenges, while noting that enhanced participation of developing countries in this system, particularly in the decision-making process, is essential.

4. FINANCING THE PROVISION OF GPGs AND SETTING INCENTIVES FOR INVESTMENT IN SUPPORT OF GPGs

4.1 Reaffirm that global efforts in support of an enhanced provision of interrelated GPGs should be carried out in a manner that contributes to supporting multiple objectives, thereby bridging the financing gap to meet the SDGs, given the interlinkages among them.

4.2 Stress that the mobilisation of financing from all sources, and in particular from the private sector, is crucial in complementing public finance, acknowledging that blended finance mechanisms (including grants, concessional loans, and private investments) and innovative financing mechanisms play a key role. The provision of GPGs requires a stable, sustainable and predictable funding base that combines domestic resources, multilateral financing, including those channelled through MDBs and vertical funds, and scaling up of private sector investment aligned with the SDGs. Resources mobilised in support of sustainable development and climate change mitigation and adaptation should minimise distortions.

4.3 Note that lessons learnt from successful mechanisms can be used to explore, scale

up and combine new and non-traditional financial mechanisms, tools, and approaches, as appropriate.

4.4 Recognise that guarantees, blended finance, local currency financing, and other de-risking mechanisms and market instruments such as green and thematic bonds can play a role to crowd in private capital and enable private sector involvement for GPG investment. Innovative mechanisms can be leveraged to incentivise private investment while aligning with sustainable development objectives. Standardising blended finance across sectors is key to maximising impact and avoiding fragmentation.

4.5 Emphasise that the catalytic role of ODA should be harnessed so that it can be used strategically to mobilise other resources. In this context, it is essential to promote development finance that respects applicable financial principles, while also emphasising the importance of transparency and mutual accountability.

4.6 Support and accelerate ongoing efforts by the MDBs to become bigger, better, and more effective, including encouraging joint efforts and collaboration between MDBs, while respecting each MDB's mandate and governance structure, to address and advance GPG provision. Their reform processes help ensure that financing is better aligned with international efforts for the optimal protection and delivery of GPGs, while ensuring complementarity.

5. HARNESSING INNOVATION AND TECHNOLOGY

5.1 Advocate for the role of innovation and technology in enhancing GPG provision, including through investing in open science and fostering scientific, technological and industrial cooperation, which reduces barriers to scientific knowledge creation. The role of the UN Technology Bank for Least Developed Countries and digital public infrastructure should be harnessed.

5.2 Promote voluntary knowledge exchange and transfer of technology on mutually agreed terms on necessary measures to support the provision of GPGs.

5.3 Support international cooperation and regulation frameworks that maximise the positive contributions of knowledge and technology to interconnected GPGs and SDGs, putting in place the necessary safeguards to avoid adverse effects on the

enjoyment of all human rights, equality, and the environment, and ensuring the sustainable development, deployment and use of new technologies.

6. ROLE OF THE G20

6.1 As the premier forum for international economic cooperation and development, the G20 plays a pivotal role in enhancing the protection and provision of GPGs, including by:

- a. Enhancing and promoting models of international cooperation and partnerships that facilitate GPG provision and protection, ensuring that no country should choose between fighting poverty and preserving the planet, including by supporting the implementation of just transition frameworks.
- b. Supporting the ongoing IFA and MDB reforms to maximise their impact on the provision of GPGs and encouraging these institutions to help build the capacity of developing countries to strengthen their involvement in the multilateral system. In addition, MDBs' advisory services and financing capacity related to regional and global public goods should be strengthened as part of country-based models. This should include upgrading staff expertise in areas of emerging priority and better aligning regional structures and networks in implementing GPG efforts.
- c. Encouraging international organisations and MDBs to explore how their strategies, financing modalities and incentives can optimally contribute to the provision of regional and global public goods, making use of recent best practices (such as the World Bank's FFI or the International Financing Facility for Immunisation) and exploring new financing tools, including risk-sharing instruments, local currency financing, hedging mechanisms, guarantees, and securitisation that leverage public and private resources while scaling up existing mechanisms of impact measurement and reporting and ensuring that there is no duplication of work to avoid dispersion of funding.
- d. Leveraging existing frameworks to enhance international cooperation and facilitate collective action to provide GPGs, including through Integrated National Financing Frameworks (INFFs).
- e. Contributing to enhancing policy coherence for sustainable development by

promoting the provision of GPGs at the local, country, regional and international levels, while protecting the policy space of individual countries and national ownership.

6.2 Looking ahead, G20 members can contribute in the following ways:

- a. Establish the “Ubuntu Commission”, a commission of experts supported by the OECD, the UN Development Programme (UNDP), and other relevant international organisations and stakeholders, to prepare a report to the G20 Development Working Group by 2027 that will:
 - i. Recommend a set of key principles and characteristics of GPGs and a coordinated conceptual framework to support the enhanced provision of GPGs and analyse policy practices;
 - ii. Develop a structured and comprehensive approach to dealing with transboundary effects of national policies, global challenges, and the enhanced provision of GPGs, mapping their financing and fostering effective multi-stakeholder collaboration including between governments, international organisations, civil society, academia, and the private sector, among others; and
 - iii. Review existing good practices related to the provision of GPGs in terms of governance arrangements, financing and other aspects.
- b. Encourage the promotion of the outcomes of the report and related studies on GPGs that advance an internationally agreed-upon conceptual framework for GPGs.