

# **BACKGROUND GUIDE**

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# ***WORDS FROM EXECUTIVE BOARDS***

## **CHAIRPERSON**

Dear Delegates,

It is with great honor that I welcome you to the United Nations General Assembly (UNGA) at FairGaze, where you will take on the responsibility of addressing one of the most critical challenges facing the global community today:

“Closing the Financing Gap to Achieve the Sustainable Development Goals (SDGs).”

My name is Himanshu Ranjan, and I have the privilege of serving as your Chairperson for this committee. I am currently pursuing Law. Having been deeply involved in MUN circuits for over 9 years as a delegate, executive board member, and policy researcher, I am both excited and confident that this committee will spark intellectually rigorous, solution-driven diplomacy.

The SDGs, adopted in 2015 by all UN Member States, represent a shared global vision for peace, prosperity, and sustainability. Yet, the massive annual financing gap of over \$4 trillion has proven to be one of the most significant barriers to progress. This agenda demands that you explore beyond traditional frameworks — diving into innovative financing mechanisms, institutional reforms, and strengthened multilateral cooperation.

You will be tasked with examining the disparities in global financial flows, balancing domestic priorities with international commitments, and ultimately proposing mechanisms that not only mobilize resources but ensure that they reach the communities most in need.

As your Chairperson, I urge you to approach this committee with critical thought, respectful collaboration, and unwavering diplomacy. Whether you represent a developed nation, a small island developing state, or a landlocked least-developed country — your voice matters. Let us ensure that this committee not only debates policy but builds consensus on pathways forward.

On behalf of the Executive Board, we look forward to three days of compelling debate, constructive engagement, and impactful resolution-building. The future lies in your hands — may your words and actions reflect the gravity of the issues before us.

Warm regards,  
Himanshu Ranjhan  
Chairperson – United Nations General Assembly  
**VICE CHAIRPERSON**

Dear Delegates,

It gives me immense pleasure to welcome you to the United Nations General Assembly (UNGA) at Fairgaze, where we will be deliberating upon the critical agenda: “Closing the Financing Gap to Achieve the Sustainable Development Goals (SDGs).”

My name is Aamna Mazhar Ali, and I will be serving as your Vice Chairperson for this committee. I am currently pursuing Law. Over the years, I have had the opportunity to engage with Model United Nations conferences as a delegate, Executive Board member, and policy enthusiast — and I firmly believe that platforms like MUN help build future diplomats, leaders, and changemakers.

The selected agenda for this committee is both timely and ambitious. As we near the midpoint of the 2030 Agenda, the question is no longer just about *what* the Sustainable Development Goals are — but *how* we can realistically finance them. From debt burdens and underperforming aid flows to limited access to private capital in the Global South, the barriers to achieving the SDGs are as political as they are financial.

This committee will demand a thoughtful, research-backed, and balanced approach. I encourage you to explore diverse solutions — from innovative financial instruments and domestic resource mobilization to South-South cooperation and institutional reform. Remember that in the General Assembly, every country — regardless of size or economic power — holds an equal vote. That makes diplomacy, coalition-building, and compromise key to progress.

I am looking forward to passionate debates, constructive resolutions, and diplomatic breakthroughs. Never underestimate the power of informed youth working toward shared global goals.

Wishing you a rewarding and enriching experience ahead!

Yours sincerely,  
Aamna Mazhar Ali  
Vice Chairperson – United Nations General Assembly

## **COMMITTEE OVERVIEW**

### **UNGA - UNITED NATIONS GENERAL ASSEMBLY**

The United Nations General Assembly (UNGA) is one of the six principal organs of the United Nations and serves as the main deliberative, policymaking, and representative body of the organization. Established in 1945 under the Charter of the United Nations, the General Assembly is composed of all 193 Member States, each with equal voting power, making it the most inclusive forum for international dialogue.

The UNGA plays a central role in shaping the international agenda, addressing pressing global issues, and fostering multilateral cooperation. It meets annually in regular sessions and can convene emergency or special sessions to address urgent matters of global importance.

Although General Assembly resolutions are non-binding, they carry significant political weight, reflect international consensus, and can shape the behavior of states, international institutions, and non-state actors. The Assembly also oversees the UN budget, elects non-permanent members of the Security Council, and coordinates efforts across the UN system to promote peace, development, and human rights.

In the context of development and financing, the UNGA acts as a norm-setting body and a platform for international cooperation. It facilitates global partnerships, reviews the progress of international frameworks (such as the 2030 Agenda for Sustainable Development), and urges action through declarations and policy recommendations.

### **RELEVANCE TO THE AGENDA**

The agenda “Closing the Financing Gap to Achieve the Sustainable Development Goals (SDGs)” falls directly under the UNGA’s mandate to mobilize international support for development and foster financial cooperation. With the financing gap estimated to be over \$4 trillion annually, the General Assembly offers a critical space for countries to:

- Coordinate on innovative financing mechanisms.
- Reaffirm commitments to Official Development Assistance (ODA).
- Discuss equitable reforms in global financial governance.
- Encourage partnerships between governments, the private sector, and civil society.

As the world’s most representative forum, the General Assembly is uniquely positioned to build broad-based consensus and propose collective strategies to ensure that no country is left behind in the journey toward sustainable development.

## **RESPONSIBILITIES**

The responsibilities of the UNGA are broad and diverse, as outlined in the UN Charter (Chapter IV). Some of its key responsibilities include:

- **Deliberation and Dialogue:** Discussing and making recommendations on a wide range of international issues such as peace and security, development, human rights, international law, and global cooperation.
- **Agenda-Setting:** Initiating studies and promoting the development and codification of international law and standards.
- **Development and Finance:** Mobilizing support for development goals, such as the 2030 Agenda for Sustainable Development, and advocating for equitable financing

mechanisms.

- **Budgetary Authority:** Approving the UN budget and overseeing the financial administration of the UN and its specialized agencies.
- **Elections and Appointments:** Electing members to key UN organs, including the Security Council (non-permanent members), the Economic and Social Council, and appointing the Secretary-General upon the Security Council's recommendation.
- **Oversight and Review:** Assessing the effectiveness of UN programs, missions, and peacekeeping operations.

## **NATURE OF RESOLUTIONS**

**Non-Binding but Politically Influential:** Unlike the Security Council, General Assembly resolutions are non-binding under international law. However, they carry substantial moral and political authority and often reflect the collective will of the international community.

**Consensus-Building:** The UNGA is primarily a platform for negotiation and consensus, particularly in areas like international development, health, climate action, disarmament, and financial equity.

## **WORKING METHODS**

**Plenary Sessions:** All Member States participate; used for general debate and voting on major resolutions.

**Main Committees:** The GA operates through six main committees; while the simulation may be in a single committee format, actual resolutions often go through these before plenary vote.

**Decision-Making:** Most decisions require a simple majority; important questions (peace, security, finance, elections) require a two-thirds majority.

# **AGENDA INTRODUCTION**

## **BACKGROUND**

In 2015, the United Nations adopted the 2030 Agenda for Sustainable Development, which includes 17 Sustainable Development Goals (SDGs) and 169 associated targets aimed at eliminating poverty, reducing inequalities, promoting peace and justice, and securing environmental sustainability. While the SDGs are ambitious and visionary, their realization depends heavily on sufficient, timely, and equitable financial resources.

According to the UN Conference on Trade and Development (UNCTAD), the total cost of achieving the SDGs in developing countries alone is estimated at over \$5.9 trillion per year, while the current level of investment and development finance remains less than half of that. This has resulted in a growing annual SDG financing gap of approximately \$4.2 trillion, worsened by recent global crises such as:

- The COVID-19 pandemic, which disrupted economies and redirected resources.
- Rising sovereign debt, particularly in low-income and middle-income countries.
- The climate crisis, which demands large-scale adaptation and mitigation financing.
- Ongoing geopolitical conflicts, inflation, and capital flight from vulnerable regions.

## **KEY ISSUES AND CHALLENGES**

1. Inadequate Public Financing - Many governments, especially in the Global South, struggle with limited tax revenue, high debt service burdens, and insufficient fiscal space to finance health, education, and infrastructure.

2. Shortfall in Official Development Assistance (ODA) - While developed nations committed to providing 0.7% of their GNI in ODA, very few have met this target. Many aid flows are either stagnating or being redirected to crisis response instead of long-term development.
3. Underutilization of Private Capital - The private sector holds vast resources, but investment in SDG-aligned projects is low due to perceived risks, lack of regulatory clarity, and weak project pipelines in many developing regions.
4. Debt Sustainability Crisis - A growing number of low- and middle-income countries are either in debt distress or at high risk of default, limiting their ability to invest in development without worsening economic fragility.
5. Inequity in the International Financial System - The global financial architecture, including institutions like the IMF and World Bank, often lacks inclusivity and favors creditor interests, limiting access to affordable financing for the most vulnerable nations.

## **RELEVANCE TO THE UNITED NATIONS GENERAL ASSEMBLY (UNGA)**

The UNGA, as the most representative and democratic forum of the international community, plays a vital role in setting global priorities, mobilizing political will, and fostering multilateral cooperation for sustainable development. While the General Assembly does not have the power to enforce binding decisions, its resolutions carry significant normative and political influence, especially in areas related to:

- Strengthening international development cooperation.



- Promoting financial inclusion and debt relief.
- Advocating for increased and targeted ODA.
- Encouraging public-private partnerships.
- Creating frameworks for climate and infrastructure financing.

The UNGA also reviews progress on the Addis Ababa Action Agenda (AAAA) on Financing for Development, which complements the 2030 Agenda and provides a roadmap for aligning financial flows with sustainable development.

## **OBJECTIVES FOR DEBATE**

As delegates in the UNGA, your task is to:

- Identify major barriers to financing the SDGs in different regions.
- Explore innovative financing mechanisms (e.g., green bonds, SDG-aligned investment funds, blended finance, fintech).
- Encourage reform in international development finance institutions.
- Promote domestic resource mobilization through tax reform, anti-corruption, and digital finance.
- Support global frameworks for debt restructuring, relief, and transparency.
- Propose solutions that are sustainable, inclusive, and implementable.

## **KEY FACTS AND FIGURES**

Metric	Value
Total estimated annual SDG investment need	\$5.9 trillion
Current financing available annually	~\$1.7 trillion
Annual financing gap	\$4.2 trillion
Number of countries at risk of debt distress	Over 60 (as per IMF/World Bank 2023)
ODA target vs. current global average	0.7% vs. ~0.33% of GNI

## Background of the Issue

The Sustainable Development Goals (SDGs), adopted by all United Nations Member States in 2015 as part of the 2030 Agenda for Sustainable Development, provide a shared blueprint for peace, prosperity, and environmental sustainability. These 17 interconnected goals include targets such as eradicating poverty and hunger, ensuring quality education and healthcare, achieving gender equality, building resilient infrastructure, and combating climate change. However, realizing these ambitions requires massive and sustained investment from governments, the private sector, and international donors.

According to UNCTAD, achieving the SDGs globally requires an estimated investment of \$5–7 trillion annually, with developing

countries alone needing around \$4.2 trillion per year. However, current global investments fall significantly short, especially in the wake of overlapping crises such as the COVID-19 pandemic, geopolitical conflicts, climate-related disasters, and rising debt levels. These have severely weakened fiscal capacities, strained social protection systems, and diverted resources away from long-term development needs.

The financing gap is not just a technical or economic issue—it has profound ethical and political implications. Without adequate financing, the world's poorest and most vulnerable populations are at risk of being left behind, undermining the core SDG principle of “leaving no one behind.”

Moreover, many developing nations face structural barriers like weak tax bases, capital flight, dependence on commodity exports, and limited access to international financial markets. Meanwhile, private capital flows are often concentrated in higher-income countries or in sectors with lower perceived risk, leaving essential areas like health, education, and climate resilience underfunded.

The challenge, therefore, is not only to mobilize more resources but also to allocate them equitably, transparently, and effectively. This includes enhancing domestic revenue mobilization, reducing illicit financial flows, increasing official development assistance (ODA), leveraging innovative financing mechanisms, and fostering stronger public-private partnerships.

Addressing the SDG financing gap requires collective global action, reforms in the international financial system, and a commitment to align all forms of finance with sustainable development priorities. Without a significant change in the way resources are mobilized and allocated, the 2030 Agenda risks becoming an unfulfilled promise.

Over the past two decades, the international community has made several coordinated efforts to address the financing needs of sustainable development, particularly in the context of the SDGs and their predecessor—the Millennium Development Goals (MDGs). These efforts span across multilateral agreements, institutional

mechanisms, financial instruments, and global partnerships aimed at enhancing development finance.

## **THE MONTERREY CONSENSUS (2002)**

Financing for Development The International Conference on Financing for Development, held in Monterrey, Mexico, marked a turning point in recognizing that sustainable development depends on a wide array of financial sources—not just aid. The resulting Monterrey Consensus laid out six areas of focus:

- Mobilizing domestic financial resources
- Mobilizing international resources (including FDI)
- International trade as an engine for development
- Increasing official development assistance (ODA)
- Debt relief
- Enhancing systemic coherence

It established the Financing for Development (FfD) process, which became a central UN-led mechanism to track global commitments on development finance.

## **THE DOHA DECLARATION (2008)**

A follow-up to Monterrey, this reaffirmed the global commitment to development financing amid the 2008 global financial crisis. It urged developed countries to fulfill their ODA commitments, enhance aid effectiveness, and support capacity-building in developing economies.

## **ADDIS ABABA ACTION AGENDA (2015)**

A Framework for SDG Financing Adopted at the Third International Conference on Financing for Development in Addis Ababa, Ethiopia, this action agenda became the cornerstone for financing the 2030 Agenda. It emphasized:

- Strengthening domestic resource mobilization through tax reform and anti-corruption measures
- Creating enabling environments for private investment

- Increasing international public finance, especially for LDCs
- Leveraging blended finance and public-private partnerships (PPPs)
- Promoting south-south and triangular cooperation
- Encouraging financial inclusion and digital innovation

The Addis Agenda established a strong link between financial policy and sustainable development, making it a vital reference point in ongoing global efforts.

## **THE UNDP'S INTEGRATED NATIONAL FINANCING FRAMEWORKS (INFFS)**

Launched in response to the Addis Agenda, INFFs help countries align planning, budgeting, and financing policies with their SDG commitments. Over 86 countries have adopted or initiated INFFs, integrating national priorities with sustainable investment pathways and bringing together diverse stakeholders—government, private sector, donors, and civil society.

## **THE GLOBAL PARTNERSHIP FOR EFFECTIVE DEVELOPMENT COOPERATION (GPEDC)**

Established in 2011, this platform promotes transparency, accountability, and effectiveness in development cooperation. It plays a role in tracking aid flows and ensuring that finance is aligned with the SDGs and national development priorities.

## **THE G20 AND DEBT RELIEF INITIATIVES**

The G20, along with the International Monetary Fund (IMF) and World Bank, has launched key debt relief and sustainability initiatives:

Debt Service Suspension Initiative (DSSI) (2020): Temporarily suspended debt repayments for the poorest countries during the COVID-19 pandemic.

## **COMMON FRAMEWORK FOR DEBT TREATMENTS (2021)**

Aims to provide long-term debt restructuring for eligible countries facing unsustainable debt burdens.

These mechanisms recognize that debt sustainability is essential for countries to maintain fiscal space for SDG investments.

## **THE UN SECRETARY-GENERAL'S ROADMAP FOR FINANCING THE 2030 AGENDA (2019)**

This roadmap proposed bold actions across six priority areas:

- Aligning global financial systems with the SDGs
- Enhancing sustainable public and private investments
- Scaling up sustainable business practices
- Strengthening international cooperation
- Enhancing transparency and accountability
- Supporting capacity-building in developing countries

## **BLENDED FINANCE AND THE GLOBAL INFRASTRUCTURE FACILITY**

Multilateral development banks (MDBs), the Global Infrastructure Facility (GIF), and initiatives like the Sustainable Development Investment Partnership (SDIP) have been instrumental in promoting blended finance—the strategic use of public or philanthropic funds to mobilize private capital for development.

## **UN TASK FORCE ON DIGITAL FINANCING OF THE SDGS (2020)**

Co-chaired by the UNDP and UNEP, this Task Force identified how digital technologies—such as mobile money, AI, blockchain, and digital ID systems—can be harnessed to mobilize funds more efficiently, especially for financial inclusion and climate finance.

These past efforts have laid a solid foundation for financing the SDGs. However, implementation gaps, uneven progress, and structural financial inequalities still persist. The focus now must

shift from commitment to concrete action, scaling up successful mechanisms and ensuring that financing flows reach the countries and communities that need them the most.

## **CURRENT CHALLENGES**

- **Insufficient Public Resources:** Many countries, especially in the Global South, struggle with low tax revenues and high public debt.
- **Limited Private Sector Investment:** Risk perception, regulatory constraints, and weak financial markets discourage private investors.
- **Illicit Financial Flows & Corruption:** Billions are lost annually through illegal capital flight and mismanagement of funds.
- **Debt Burden:** Many low-income countries are in or at high risk of debt distress, limiting fiscal space for SDG investments.
- **Climate Finance Gap:** Financing for climate mitigation and adaptation is inadequate and often fails to reach the most vulnerable.
- **Global Economic Instability:** Wars, inflation, and supply chain disruptions affect donor support and private capital flows.

## **STAKEHOLDERS INVOLVED**

- **National Governments:** Key players in mobilizing domestic resources, creating enabling environments, and budgeting for SDGs.
- **International Financial Institutions:** IMF, World Bank, and regional development banks provide funding and technical

support.

- **Private Sector & Investors:** Key sources of capital and innovation for SDG-related infrastructure, technology, and services.
- **Civil Society & NGOs:** Monitor SDG implementation, promote accountability, and assist in service delivery.
- **United Nations & its Agencies:** UNDP, UNCTAD, UNEP, and others support SDG financing through programs and technical expertise.
- **Donor Countries & Development Partners:** Provide ODA (Official Development Assistance) and debt relief to support low-income nations.

## **CASE STUDIES**

### **A) Rwanda's Domestic Resource Mobilization Strategy**

Rwanda successfully increased tax revenue as a percentage of GDP through tax reforms, e-governance tools, and widening the tax base.

### **B) India's Green Bonds Initiative**

India has raised billions through green bonds to fund clean energy and sustainable infrastructure, signaling strong private sector engagement.

### **C) Kenya's Integrated National Financing Framework (INFF)**

Kenya implemented an INFF aligning budget, planning, and SDG priorities, enhancing efficiency in public spending and donor alignment.

### **D) European Union's Global Gateway Strategy**



A major infrastructure investment plan aiming to mobilize €300 billion by 2027, prioritizing SDG-compatible infrastructure in developing countries.

## **REGIONAL/BLOC POSITIONS**

### **Africa Group:**

Calls for increased concessional financing, debt relief, and a fairer global tax system to stem illicit financial flows and promote equity.

### **European Union:**

Supports blended finance, private sector mobilization, and green investments. Advocates for reforms in global financial governance.

### **G77 & China:**

Stresses the need for developed countries to fulfill ODA commitments and respect principles of common but differentiated responsibilities.

### **Small Island Developing States (SIDS):**

Face unique vulnerabilities from climate change. Push for climate finance and access to concessional funding despite middle-income status.

### **OECD Countries:**

Focus on strengthening multilateral cooperation, improving transparency, and leveraging private investment through guarantees and risk sharing.

## **POSSIBLE SOLUTIONS**

- Scaling up Official Development Assistance (ODA): Developed nations must meet the 0.7% GNI target for ODA, especially to

LDCs.

- **Tax Reforms & Anti-Corruption Measures:** Improve domestic revenue by reducing tax evasion, increasing compliance, and leveraging digital tools.
- **Blended Finance & Public-Private Partnerships (PPPs):** Combine public and private funds to de-risk investments and attract capital.
- **Debt Swaps for SDGs:** Convert debt repayments into investments for development projects, especially in climate or health.
- **SDG Investment Platforms:** Create tools to map, match, and monitor SDG-aligned investments for transparency and efficiency.
- **Global Financial Architecture Reform:** Democratize decision-making in IFIs and improve access to emergency and concessional finance.

## **MOTIONS TO BE CONSIDERED**

- Motion to open a moderated caucus on “The Role of Private Sector in SDG Financing”
- Motion for an unmoderated caucus on “Strategies to Improve Domestic Resource Mobilization”
- Motion to draft a resolution on “Debt Relief Mechanisms Linked to SDG Achievement”
- Motion for a moderated caucus on “Bridging the Climate Finance Gap in Vulnerable Countries”

- Motion to invite expert delegate from the UNDP to address the Assembly
- Motion to suspend the meeting for informal consultations

## REFERENCE LINKS

- [United Nations SDGs](#)
- [Addis Ababa Action Agenda](#)
- [UNDP INFF Overview](#)
- [World Bank on Blended Finance](#)
- [G20 Debt Service Suspension Initiative](#)

## CONCLUSIONS

As we approach the midpoint of the 2030 Agenda, the world finds itself at a critical juncture. While the Sustainable Development Goals represent a shared vision for peace, prosperity, and environmental sustainability, their success hinges on our ability to mobilize the resources necessary for their implementation. The current financing gap is not just a technical or economic shortfall—it is a test of global solidarity, political will, and collective responsibility.

The agenda “Closing the Financing Gap to Achieve the Sustainable Development Goals” challenges delegates to move beyond generic pledges and address the root causes of financial inequality within and among nations. It demands a nuanced understanding of global economic systems, political dynamics, and development realities.

As the most inclusive and representative organ of the United Nations, the General Assembly provides a powerful platform for

building global consensus. Through thoughtful deliberation, delegates are expected to:

- Evaluate the performance of existing financing mechanisms;
- Consider the vulnerabilities and voices of least developed countries, small island developing states, and conflict-affected regions;
- Balance national interests with global developmental goals;
- Design innovative, equitable, and realistic solutions.

This committee will not only test your diplomatic and analytical abilities but will also provide a space to shape meaningful policy ideas that reflect the urgency of the moment. Delegates are encouraged to engage respectfully, represent their countries with integrity, and collaborate to draft comprehensive, inclusive, and forward-looking resolutions.

The future of the SDGs depends on the decisions made now. The challenge is enormous—but so is the opportunity.

We look forward to witnessing your vision, leadership, and commitment in tackling one of the greatest global issues of our time.