**Position Paper**

**Delegate: People’s Republic of China**

**Organ: United Nations General Assembly**

**Subject: Bridging the Financing Gap for SDGs**

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**I. Introduction**

*The People's Republic of China acknowledges the great gap in financing needed to meet the 2030 Agenda for Sustainable Development and believes that it must be addressed immediately. Even with such a concerted effort worldwide, developing countries still need to come up with an estimated USD 2.5 trillion to 4 trillion each year to fulfil the Sustainable Development Goals (SDGs).*

*Existing vulnerabilities have only been compounded by the challenges presented by the COVID-19 pandemic, rising global debt, and increasing geopolitical tensions that do little to advance progress towards sustainable development.*

*China reiterates its unwavering determination to uphold multilateralism and announces that it will join hands with the international community to mobilize resources for opening up an inclusive economic growth path, establish a favourable environment conducive to sustainable development as well as make continuous contributions.*

**II. China’s Perspective**

*China: Financing sustainable development must respect national sovereignty, prioritize following the policies of countries, and as an authoritative common practice. And in that spirit, China stresses:*

*• The pressing need for fulfilling ODA commitments by developed countries;*

*The most relevant to the South includes strengthening South-South cooperation as a complement to traditional North-South partnership.*

*• Mobilization of innovative financing solutions: mixed finance, green finance, and digital financial services.*

*In China, this success story finds an echo: over the last four decades, continuous investments in infrastructure and human capital have lifted more than 800 million people out of poverty, thus making a remarkable contribution to global poverty reduction.*

**III. Plans implemented by China and their results-**

*China has been vigorously involved in the realization of sustainable debt financing with various projects, for example:*

 *1. The China-UN Peace and Development Trust Fund, set up either as a shield or resource for the peace and development endeavours entailed by the SDGs;*

*2. The Belt and Road Initiative (BRI), which is identified with the increasing flow of trade, investment, and infrastructure, and a change towards an eco-friendlier manner;*

*3. The Global Development Initiative (GDI), called by President Xi Jinping in 2021 to be put into action for more global cooperation for international progress and faster fulfilment of the 2030 Agenda;*

*4. The involvement in the development of countries of the South by increasing their financial funding, technical support, and nurturing the capacity of the Least Developed Countries (LDCs) and other developing nations;*

*5. An example of environmental finance is seen in China, a country that has given priority to the issue and has thus grown into the world's most prolific source of funds for green projects.*

**IV. Policy Recommendations**

*To address the SDG financial gap, China proposes the following actions-*

1. *Strengthen Multilateral Development Financing- make a complete renewal of financial institutions so that these institutions fit well with the 2030 Agenda and are more transparent, efficient, and flexible for developing countries, which are recipients of financial aid.*
2. *Fulfil ODA Commitments- There must be the fulfilment of the promise from the developed countries to allocate at least 0.7% of Gross National Income (GNI) to ODA, especially the most vulnerable communities and the least developed countries.*
3. *Promote Innovative Financing- They should innovate the ways of private and institutional funding of specific projects. E.g., through green bonds or swaps that are in the line with the climate crisis and SDGs of the UN organization to lower the cost of capital and risk factors.*
4. *Enhance Debt Sustainability Participate in the G20 Common Framework for debt Treatments and advocate for cooperation related to debt relief and rescheduling of debt for countries that face the issue of unsustainable debt.*
5. *Intensify Domestic Resource Mobilization. Domestic Financial Systems can be fortified through increased tax collection, better financial governance, and more digital financial inclusion to reduce the dependence on outside funding.*
6. *Formulate a Development-Supportive Global Environment- Through both fair and non-discriminative means, enable the entry to global markets, retain the rule-based multilateral trading system, and be resistant to protectionist and unilateral measures that would inhibit the development of the developing world*

**V. Conclusion**

*President Xi Jinping had addressed the UN General Assembly 76th session, 2021-*

*"China stands ready to work with all countries to strengthen cooperation, pursue green and low-carbon development, and jointly build a community of life for man and nature."*

*This statement stands true to date.*

*China still has strong assurance in its determination to cooperate with the rest of the world in achieving the SDGs by showing the same development pace, sharing the results, and a mutual win-win situation. Although the financial support shortage is a critical issue, it can also be used as an avenue to renew bonds to international peace, security, stability, and development, and to create a more robust and just society and world.*

*China earnestly requests the support of all Member States for the principles of multilateralism, to jointly carry forward and extend the cooperation, and to organize the necessary resources and enthusiasm to turn the common vision of the 2030 Agenda into a reality.*

**Endnotes and References**

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* *Belt and Road Portal, Chinese Government, Belt and Road Initiative: Advances, Investments and Future Scenarios, April 2019*
* *Ministry of Foreign Affairs of the People’s Republic of China, Position Paper on Advancement of the Global Development Initiative, 2022*