

Concept Note - Launch of the Sustainable Debt Coalition and Roadmap for Financing of Nature and Climate

Date: 4 December 2023

Time: 17:00 to 18:00 (Dubai local time, GMT+4) (TBC)

Venue: Egypt Pavilion

Organizers:

- Government of the Arab Republic of Egypt
- UN Economic Commission for Africa

Introduction

The Sustainable Debt Coalition (SDC) is a collaboration of debtors and creditors, advocating for comprehensive reform of the global sovereign debt architecture to support developing countries to achieve their climate change goals and the Sustainable Development Goals (SDGs). It also includes within it, a subgroup of borrower-only members acting together in a “borrower club”.

The SDC recognises that excessive debt loads constrain development. Members are committed to freeing fiscal space for developing countries by prioritising innovative and established measures that simultaneously reduce long-term sustainability risks. Recent progress on many such measures will be highlighted during this event.

The SDC was announced at the Finance Day of COP27 in November 2022. Since its announcement, over 20 nations have expressed interest in joining the Coalition. In March 2023, the goals of the Coalition were endorsed by the *55th Conference of Ministers of the Economic Commission for Africa* in Addis Ababa. The Coalition has met informally throughout 2023, including on the margins of the meetings of the IMF and World Bank and the *Summit on a New Global Financing Pact* in Paris. The priorities of the Coalition focus on transformational measures with potential for global support, including accelerated credit enhancement, use of bonds with debtor-defined key performance indicators (KPIs) including sustainability-linked bonds, climate-resilient debt clauses, adoption of the sustainable budgeting approach, and facilitation of debt-for-climate swaps.

This official launch meeting will convene governments, partners to the Coalition, international financial institutions, and other parties to announce the communique of the Coalition, review progress to date, and develop forward priorities for a shared framework for sustainable debt. The groundbreaking work of partners will be elevated, with a particular focus on immediate opportunities for credit enhancement and KPI-linked bonds, as demonstrated by the new *Roadmap to Accelerate Sustainability-linked Sovereign Financing of Nature and Climate*. This event will gather momentum for the partners’ Coalition Summit to be held in Cairo, Egypt in early 2024.

Objectives:

- Officially launch the Sustainable Debt Coalition and communicate its inaugural communique.
- Highlight the recent achievements and growth of the Sustainable Debt Coalition.
- Showcase innovative financial instruments and solutions supported by the Sustainable Debt Coalition and its partners.
- Discuss advocacy efforts to elevate the priorities of the Sustainable Debt Coalition and its partners.
- Emphasize the alignment of financial strategies with sustainability goals, sharing countries cases in the deployment of Key Performance Indicators and Sustainable Budgeting Approach.

Target Audience:

- Government representatives
- International Financial Institutions
- Businesses
- Philanthropic organizations
- Civil society and youth representatives

Expected Outcomes:

- Greater awareness and understanding of the Sustainable Debt Coalition and its mission and mandate in achieving sustainable debt and climate and development goals.
- Strengthened understanding and commitment to the deployment of innovative financial mechanisms.
- Enhanced collaboration between stakeholders for a reformed global financial architecture, better equipped to meet climate goals and the Sustainable Development Goals.

Program/ Run of Show (60min)

15min	Setting the scene <ul style="list-style-type: none">• Head of Delegation of Egypt: Welcome and formal Launch of the Coalition• Rola Dashti, Executive Secretary, Economic and Social Commission for Western Asia• Claver Gatete, Executive Secretary, UN Economic Commission for Africa
40min	Panel discussion on country cases and forward-looking solutions Moderator: Jean-Paul Adam, Director of Policy, Monitoring and Advocacy, Office of the Special Adviser on Africa <ul style="list-style-type: none">• Head of Delegation of Ghana and V20 Chair: international architecture for debt treatment and resolution• Head of Delegation, African Development Bank

	<ul style="list-style-type: none"> • Head of Delegation of Rwanda: Sustainability-linked bonds, KPIs, Sustainable Budgeting Approach • Head of Delegation of Ecuador: Debt-for-nature swaps • Head of Delegation of Indonesia: Just Energy Transition Partnerships • Head of Delegation of UK: Climate-resilient debt clauses • Head of Delegation of Inter-American Development Bank: Credit enhancement • Dr Hannan Morsy, Chief Economist and Deputy Executive Secretary, UN ECA
5min	<p>Concluding summary by Dr. Mahmoud Mohieldin on behalf of the United Nations Climat Champions</p> <p>Close and call for action</p>