

# **Bond briefing - G7 Summit 2024**

This briefing presents the views and recommendations on the key priority issues based on the <u>Civil 7 2024</u> <u>Communique</u> (with inputs from over 700 organisations from over 70 countries around the world) and contributions from Bond and its members: Action for Global Health, Anti-Slavery International, Bretton Woods Project, CAFOD, Climate Action Network UK, Christian Aid, GADN, Start Network.

## Humanitarian issues (Start Network)

**Principled humanitarian action** was at the core of the C7 discussions this year because the principles of humanity, impartiality, neutrality and independence are foundational to humanitarian action. There has been an increase in crises, civilians being killed, extreme hunger, violence, weapons produced and supplied by states - including G7 members - attacks on civilian workers, and climate change's worsening impact on people experiencing vulnerability. Therefore, in this context G7 has a critical role and a responsibility to recommit to these principles in practice. Our asks focus on four areas:

- 1. **Protection of civilians** 2024 marks the 75th anniversary of the Geneva Conventions, but unfortunately, we see the flagrant violation of International Humanitarian Law (IHL). We are not asking for a new UN resolution. We are asking G7 leaders to execute their power to ensure IHL and its principles are respected, no matter the context, and there is adherence to the resolutions on this topic.
- 2. **Accountability to affected people** Crises are much more devastating on people who are already marginalised. We ask the G7 to implement policies that involve local communities and civil society organisations and require needs-based regular monitoring and public reporting on humanitarian assistance.
- 3. **Humanitarian access** We ask for the G7 to safeguard the ability of humanitarian organisations to operate independently and impartially and engage with all stakeholders to negotiate access to reach populations in need.
- 4. **Humanitarian financing** Insufficient funding means humanitarian actors are forced to prioritise what crises to support and stretch funding. This year the <u>Global Humanitarian Overview</u> states that over \$46 billion is needed to assist 299 million people, but the problem is beyond closing the funding gap. We need long lasting solutions. We urge the G7 leaders to take a more holistic approach to humanitarian assistance, peace, development and climate action as they are interlinked and require strong collaborations and policy coherence. We ask G7 leaders to increase early and anticipatory action funding to reduce crises, and to provide predictable, flexible and unearmarked multiyear humanitarian funding, including direct and indirect funding to local actors.

## Food systems (CAFOD)

- Centrality of food systems and agriculture becomes more and more obvious as the food system comes up
  in various policy spaces for the trade, climate, health, economic transformation, migration and
  humanitarian action;
- There is a strong consensus across the C7 in calling for a **rights-based approach** to addressing the crises across different sectors therefore C7 is moving beyond narrow focus on food security to the drivers of food insecurity and broader food justice and food systems transformation;

- Governance of the food system is fractured and weakened with different competing bodies. G7 has a role
  to play in strengthening governance under UN auspices (the UN Committee on World Food Security) so we
  can prioritise multilateral, rather than multistakeholder mechanisms, to ensure democratic accountability
  in policy making.
- G7 leaders need to take responsibility for limiting the power and influence of corporate actors in governance spaces by:
  - o regulating corporate actors and financial speculation in the food sector,
  - o institutionalising fairness in global food value chains through UN Binding Treaty on business and human rights,
  - o repurposing subsidies from harmful industrial agricultural practices to supporting communities and agroecological practices;
- G7 countries should provide policy space for lower-middle income countries (LMICs) to choose agricultural
  policies that meet the interests of their own populations regarding food security, sustainability, climate
  resilience. This means taking a rights-based approach across all policy areas, putting human rights at the
  centre, and ensuring all policy decisions align with UN human rights conventions, such as UNDROP and FAO
  Seed Treaty, to uphold Farmers' Rights.
- G7 countries each individually have an important role to play in re-shaping the global food system, particularly through **trade rules**;
- We urge G7 countries to recognise importance of agroecology as a transformative approach to agriculture, rooted in justice and human rights principles, alongside economic and environmental sustainability practices (such as reduction of greenhouse gas emissions and supporting adaptation). There is growing evidence to prove that agroecological agriculture practice improves food security and builds resilience reducing vulnerability to future shocks and risks of humanitarian emergencies.
- Agroecological approaches enabling women's agency within food systems thus recognising and supporting
  their roles as farmers and seed savers and building their skills in those roles and in others along the food
  supply chain.

#### MDBs Reform (Bretton Woods Project)

- As underscored in the C7 2024 Communiqué, one of the principal requirements of effective multilateral
  and thus G7 response to the current polycrisis, is that it be rooted in international human rights laws and
  norms.
- Within the context of the G20 discussions focused on moving beyond current World Bank reforms toward more comprehensive MDBs reform and improved policy and systems coherence, it is essential that those do not result in a 'race to the bottom' in terms of Social and Environmental Safeguards. The G7 must advocate for MDB reform that is centred on ex-ante and ex-post human rights impact analysis of projects and programmes and that is focused on supporting a move away from the current extractivist mode of economic 'development'.
- The UN Human Rights system, of which the UK and other G7 members are strong supporters, has underscored the centrality of effective civic participation to the advancement of all human rights, stressing, "It plays a crucial role in the promotion of democracy, the rule of law, social inclusion and economic development. It is essential for reducing inequalities and social conflict." The G7 must therefore advocate for significant strengthening of MDB citizen engagement systems so that they ensure civil society are actively and effectively included from the beginning in the development of MDB-financed and supported projects, programmes, partnership agreements, etc. Civil society must also be consulted

- throughout and during evaluations. Engagement must move beyond performative 'consultations', be truly meaningful and will require significantly improved transparency.
- We recognise that effective and meaningful civil society participation is potentially time and resourceintensive and caution that discussions about streamlining MDB processes to meet client demands must not come at the expense of proper civic engagement.
- The G7 must move beyond the current focus on fine-tuning capital adequacy frameworks and support and
  contribute to the adequate capitalisation of MDBs to ensure they have the capacity to provide desperately
  needed grant and concessional finance to states in the LMICs, which continue to face multiple challenges,
  few of them of their own making.
- G7 support for MDB reform must ensure MDBs move beyond a simplistic focus on 'leveraging private sector investment for development' at all costs. The increase in commodity dependency globally and related lack of economic transformation clearly demonstrate that the current approach has failed to deliver and has indeed increased inequalities and other vulnerabilities. The G7 must demand that MDB policies are supported by strong evidence that they are likely to lead to equitable economic transformation and should focus on development of local and regional markets and private sector.
- The private sector finance arms of MDBs must forego support of for-profit, fee-charging private sector social services provider in areas such as **health and education**.

## Climate Finance (Climate Action Network UK (CAN-UK))

- 2024 is the finance year for climate action, we're running out of time to prevent catastrophic and ever more costly climate change, so the **scale of finance** over the next decade must match the urgency and scale of the climate and biodiversity emergencies.
- In November at COP29, a new climate finance goal (NCQG) must be agreed that delivers the scale of
  finance needed by LMICs for climate action. G7 countries including the UK need to be the most significant
  contributors under the foundational principle of the UN Convention on Climate Change (UNFCCC) of
  common but differentiated responsibility and respective capabilities (CBDR-RC).
- It is not credible for the UK to walk into COP29 as the as both the fifth largest historical emitter (therefore high responsibility) and the sixth largest economy in the world (therefore high capability) with only 0.5% GNI on the table for the entirety of the global poverty, biodiversity, and climate change emergencies.
- Therefore, the G7 summit needs to help set the political conditions necessary to achieve an **ambitious new climate finance goal** in November which can only happen if there is a race to the top for public climate finance provision by G7 countries.
- The problem is not a lack of money, but that money is being spent on the harm instead. There are various estimates of the annual cost of climate action needed in developing countries of between \$1-10tr a year, yet around \$1.8tr a year is spent on subsidies that are causing the harm according to the business group The B Team.
- Oxfam estimates that the UK could generate £23.1bn a year through entirely reasonable measures such as
  a permanent excess profits tax on fossil fuel producers; redirecting fossil fuel producer subsidies; a
  Frequent Flyer Levy; taxing high-emitting luxury travel; and fair taxes on extreme wealth. These are all
  measures that would not unfairly cost UK households and would generate substantial new and additional
  finance for climate action at home and overseas.
- This is significant when compared to the UK's existing climate finance commitment of just £11.6bn over five years, all of which is double counted UK aid (coming from 0.5% GNI) and some of it triple counted as nature finance too.
- Therefore, we call on the UK to garner support among G7 countries to:

- Significantly scale up grant-based public finance for mitigation, adaptation, and for loss & damage, according to the urgency of the science and the needs of developing countries and to keep 1.5°C alive, and
- o **Introduce reasonable polluter pays taxes** and **redirect harmful subsidies** to deliver the scaled up public finance needed.
- The CAN-UK General Election briefing covering climate finance and other issues is available here.

# Debt (Christian Aid)

- The increasing importance and urgency of addressing the **debt crisis** facing LMICs is well recognised, with debts payments by lower income countries (LICs) at the highest level for 25 years.
- The burden of debt repayments is hampering the scope for governments to invest in essential services like health and education. For example, as Christian Aid highlights in our report <u>Between life and debt</u>, 32 African countries spend more on paying **external debts** than on healthcare.
- Of external debt payments by LMICs and small island states, between 2023 and 2029: 46% are to private lenders (not including Chinese private lenders); 30% to multilateral institutions; 12% are to Chinese public and private lenders; and 12% are to other governments.
- There is a broad consensus that without addressing today's debt crisis lower income countries will not meet the Sustainable Development Goals (SDGs) or deal with the impacts of the climate crisis, nor will they become the stable, thriving partners for trade and investment opportunities with whom G7 governments want to do business. And debt defaults will keep on happening.
- The **G20's Common Framework** has not been working because the Western private creditors to whom the most significant proportion of debts are owed are taking too long to come to the table and, when they eventually do, they are not restructuring debts at a comparable level to other lenders. Zambia's protracted debt restructuring process is an illustration of this.
- The failure of **Western private creditors** to provide debt cancellation on comparable terms with other lenders is also a strong disincentive to China to do more. China did participate in the Debt Service Suspension Initiative (DSSI) while Western private creditors did not, so it does not want to get burnt again.
- The IMF has raised issues with the Common Framework, notably the lack of full participation from private creditors; and the World Bank's chief economist recently stated very clearly that <a href="the Common Framework">the Common Framework</a> won't deliver what leaders say it will' but that leaders continue to say 'This horse is not dead yet, so let's just keep whipping it."
- Instead of continuing to whip this dying horse, G7 leaders need to get behind a new international debt architecture. They should promote and support multilateral negotiations to move towards the establishment of a UN sovereign debt work out mechanism, providing a predictable, rules-based system that dis-incentivises risky lending and borrowing and compels all creditors to participate as lower income countries have been calling for.
- As a next step, the G7 should support the **FFD4 process**, which has the mandate to address the huge financing challenges facing lower income countries. The <u>report</u> published in April 2024 of the Interagency Task Force for Financing for Development, which is doing the preparation work for FFD4 (endorsed by all the members including the World Bank and IMF), recognizes that "the current architecture has gaps in addressing the 'development dimension' of the current debt crisis, with no systematic support available to countries whose high debt service burdens hamper SDG expenditure." The report then points to "UNCTAD's proposal to close these gaps through a development-centred sovereign debt workout framework". So, this is there on the table and should be supported by G7.

## Gender equality (GADN)

In addition to the C7 Communique, the demands in this section on gender equality were developed as part of the 2024 W7 process GADN is a part of and the W7 Communique in full can be found <a href="here">here</a>.

- 1) When addressing gender inequality, it is imperative to move beyond a mere 'empowerment approach', which tends to be instrumentalist in nature and focuses largely on increasing women's labour force participation in pursuit of economic growth objectives. Such an approach often fails to recognise and address the structural barriers that stand in the way of gender equality.
- 2) We urge G7 leaders to make a renewed commitment to tackling the structural barriers to gender equality, resisting attempts to rollback women's rights (as per the 2023 G7 Leaders' communique) and making long overdue financial commitments to advance gender equality and women's and girls' rights.
- 3) G7 Leaders must further acknowledge the disproportionate impact of ongoing global poly-crises on women and girls in all their diversity which is further exposing, exacerbating and reinforcing structural and gendered economic inequalities. Women's unpaid and underpaid care work continues to fill the gaps left by governments' inadequate care and public services provision.
- 4) Economic policies are not gender-neutral. Transformation can only succeed if gender inequalities are tackled at their roots. Gender-transformative **public services**, **social protection**, **and care systems** are critical for guaranteeing rights for all, in particular for women, girls and other marginalised groups.
- 5) We therefore call on G7 leaders to recognise the social and economic value of care in all government policymaking, as well as the human right to care. G7 Leaders must commit to restoring and protecting the duty and primary responsibility of governments to provide free, universally accessible and quality gender-transformative public care services and social protection to reduce women's unpaid and underpaid care work by:
  - o a) increasing public spending on social infrastructure, which includes gender-transformative health and care services as well as social protection schemes, by an additional 2% of GDP;
  - o b) rewarding and remunerating care work with equal pay for work of equal value as well as decent pensions;
  - o c) implementing gender-transformative policies that tackle entrenched social norms in order to 'defeminise' caregiving and changing gender norms around caring responsibilities;
  - o d) ensuring decent work for paid and unpaid care work including migrant and informal health and care workers and fostering their meaningful participation in decision-making on care policies;
- 6) We also urge G7 leaders to support and protect the fiscal space available to governments, particularly
  those in the LMICs to fund gender-transformative social protection, care and public services to create an
  enabling environment for women's economic justice and rights by:
  - a) acknowledging the continuing impact of colonial legacies and the need to decolonise international economic systems and transform international financial institutions (IFIs) for the benefit of all, for gender equality to be achieved globally;
  - o b) **evaluating all macroeconomic policymaking** against its impact on women's rights to ensure that fiscal, trade and monetary policies promote rather than undermine gender equality;
  - c) promoting inclusive and democratic global tax cooperation and supporting calls for <u>a UN Tax</u>
     <u>Convention</u> that can deliver a more equitable, inclusive, progressive and democratic international tax architecture;
  - d) implementing progressive national and international tax regimes including combating illicit financial flows and tax avoidance as well as tax havens, introducing windfall taxes for corporations as well as wealth taxes for the superrich, supporting the wealth tax proposal currently being developed as part of the G20;

- e) using their power within international financial institutions (IFIs) to stop the imposition of **fiscal** consolidation and austerity measures as conditions of debt restructuring, given evidence that
   such conditions hit women hardest and directly undermine investment in gender-transformative
   public care services and social protection;
- o f) committing to **fair and sustainable global trade** and investment policies and practices, subject to international human rights standards.

# Global health (Action for Global Health)

- Between 2000 and 2019, we witnessed notable improvements in health globally (child mortality halved, maternal mortality fell by a third, the incidence of many infectious diseases dropped including HIV, tuberculosis (TB) and malaria and the risk of dying prematurely from non-communicable diseases (NCDs) and injuries declined in many countries). However, since 2015 this progress has slowed, and the impact of the COVID-19 pandemic has been devastating. Although the pandemic appears to be over, its recovery has been slow, uneven and incomplete and the long-term effects of the pandemic continue to be felt by exacerbating already existent health inequities and potentially creating more.
- We have also seen a growing recognition of the **impacts of conflict on health**, alongside a greater understanding of the interlinkages between health and climate change.
- In 2023, the World Health Organization's (WHO) World Health Statistics highlighted climate change as
  'one of the greatest health challenges of the 21st century.' These weather and climate events affect
  health both directly and indirectly, increasing the risk of death, NCDs, the emergence and spread of
  infectious diseases as well as interrupting the provision of essential health and care services.
- As underscored in the C7 2024 Communiqué, equitable approaches to global health and tackling climate change are vital to addressing the issues being faced today. In particular, G7 countries and the WHO must:
  - a. Take a national approach, including building **strong**, **climate-sensitive**, **resilient health systems**, in line with national priorities, ensuring that climate considerations are integrated into all health programming.
  - b. Increase support to national strategies **advancing Universal Health Care**, such as free healthcare initiatives and initiatives reducing out-of-pocket payments, ensuring that they are reaching the furthest behind first.
  - c. Include the consistent use of disaggregated data, the consideration of social determinants of health and their drivers and ensuring meaningful participation with LMIC governments, civil society and people with lived experience of health inequities.
  - d. Support equitable healthcare centring on the most structurally ignored people. It is crucial to consider social determinants of health how communities and societies organise their basic conditions like built environment, transports, food chains have an impact on local environment (in terms of risk of pollution) and globally (carbon footprint). Access to inclusive health information and services, lifestyle and social norms, commercial determinants, gender, and stigma, discrimination and human rights violations create unfair differences in the impact of social determinants on health outcomes.
- At the halfway point to the SDGs, the world is faced with multiple challenges to ensuring global health equity and it is essential that governments around the world including the UK come together to meet their commitments and are re-energised to achieve SDG3 to ensure healthy lives for all.

# Business and human rights (Anti-Slavery International)

- The 2023 G7 <u>Trade Ministers' Statement</u> reaffirmed the 2022 and 2021 G7 Trade Ministers' Statement on Forced Labour. These statements committed to strengthen cooperation and collective efforts towards eradicating the use of all forms of forced labour and child labour in global supply chains, including through measures that promote corporate due diligence, and work to further enhance predictability and certainty for businesses. This echoed the 2022 G7 Leaders' <u>Communique</u> which committed to "mandatory measures" to protect rights-holders and "support remedy" in the context of complying with international standards on human rights.
- We must now see further follow-through and commitment to these measures. In recent years, Germany and France have adopted mandatory human rights due diligence laws, with the French law also applying to environmental harm. The US has closed a loophole to the US Tariff Act, leading to significantly higher use of this measure to control the import of products made in whole or in part with forced labour, and adopted and enforced the Uyghur Forced Labor Prevention Act. Canada has a mechanism to control the import of products made with forced labour. The EU has adopted both the Corporate Sustainability Due Diligence Directive and the Forced Labour Regulation, which will apply to all EU Member States.
- We now need to see all G7 markets commit to introduce both mandatory human rights and environmental
  due diligence laws and import controls on forced labour. Modern slavery transparency and reporting
  legislation is not sufficient within this landscape, and the UK is set to fall behind its peer markets with its
  focus on this legislation.
- G7 countries must also work with G20 markets to introduce comparable legislation for example noting
  that Mexico has introduced customs controls on forced labour products. Legislation across all markets is
  critical to prevent re-export of products and safe havens for corporate harm. The G7 with its peers should
  also promote intelligence sharing between enforcement bodies.
- A business and human rights lens must also be applied to our urgent transition from fossil fuels, to ensure a just transition to clean energy. This transition is currently reliant on human rights harm and environmental degradation. This includes the systemic use of state-imposed forced labour in solar and electric vehicle supply chains, which heavily rely on sourcing from the Xinjiang Uyghur Autonomous Region (Uyghur Region). Both industries' supply chains have been directly linked to the use of Uyghur forced labour. The UN Special Rapporteur on Contemporary Forms of Slavery has concluded that instances of this forced labour "may amount to enslavement as a crime against humanity", meriting further independent analysis.
- We call for a specific focus by the G7 on the crisis of Uyghur forced labour in the solar and electric vehicle industries. The 2023 G7 Clean Energy Economy Action Plan states: "We will promote supply chains in line with high [environmental, social and governance] ESG standards that ensure benefits to local communities and advance a just energy transition rooted in social dialogue, social and environmental protection, rights at work and employment". In the Uyghur Region, responsible business conduct in line with the UN Guiding Principles on Business and Human Rights is not possible on the ground in the light of the systemic persecution: the UK foreign travel advice has <a href="warned">warned</a> that "Due diligence organisations conducting independent audits of facilities in Xinjiang are at risk of harassment and detention". As such, addressing the crisis of Uyghur forced labour in green technologies requires international collaboration to finance and support the development of alternative markets and technology, to ensure affordable renewable energy access for all markets, that is not reliant on systemic human rights harm. Analysis has suggested that the G7's Partnership for Global Infrastructure and Investment could be an appropriate forum for such international collaboration. (See the Anti-Slavery International, Investor Alliance for Human Rights, and Sheffield Hallam University policy paper to the UK government). Tackling the green technology industry's

exposure to Uyghur forced labour is an essential step towards building a more equitable world that protects both the planet and the rights of its inhabitants. The UK can play a global leadership role on this issue, in partnership with allied countries around the world. Doing so will help the UK to meet its climate change commitments, improve its energy resilience, and support job creation in the UK and in partner countries which are prioritised for UK investment and development assistance.