GENEVA CENTRE FOR HUMAN RIGHTS ADVANCEMENT AND GLOBAL DIALOGUE

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Interactive Dialogue with the Independent Expert on the Effects of Foreign Debt and Other Related International Financial Obligations of States on the Full Enjoyment of all Human Rights

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PRESENTATION OF THE THEMATIC REPORT

Ms. Attiya WARIS, Independent Expert on the Effects of Foreign Debt and Other Related International Financial Obligations of States on the Full Enjoyment of all Human Rights

The Independent Expert (IE) introduces her new thematic **report on understanding the landscape of climate finance**, debt, tax, illicit financial flows and human rights, by pointing out that climate finance, even today, has been a central pillar of global climate governance, particularly under the frameworks of the Paris Agreement. It is founded on the **principle of common but differentiated responsibilities**, which recognises that developed countries, due to their historical contribution to greenhouse gas emissions and greater financial capacity as a result, are expected to provide the bulk of financial resources to support developing states.

The thematic report presented today takes talks of ongoing global discussions on **climate finance through a human rights lens** specifically, highlighting not only the disparities of power and finance across the world, but also the role of human rights in climate finance conversations. Last year marked a historical moment in negotiations to set the climate finance goals and pathways, and the IE had the privilege to actually attend the COP in Dubai and make submissions both then and later to the COP in Baku.

What the IE has seen is that while $9 million annually is going to be required for **climate mitigation and adaptation, commitments remain insufficient**. This is not new information for anybody. In 2020, only $83 billion of the promised $100 billion per year was mobilised for climate action, and in 2024, the net value of $300 billion was made at COP, and is just in actuality $175 billion. So the figures that we hear are not even the figures that land on the ground, and this is something we need to reflect on. The IE has heard conversations about pledges not honoured. The IE is sorry to say she has heard words like hypocrisy, racism, discrimination in those conversations around financing. It is very important for us to reflect on why states are speaking in these kinds of terms with each other.

Climate finance is not just a tool for addressing climate change, but is also an **essential component for fulfilling international human rights obligations**. It helps to support vulnerable populations and provides resources for implementing solutions that can alleviate the effects of climate change, such as - and these are continuing to be exacerbated around the world - rising sea levels, extreme weather changes, effects on food and growth patterns and agricultural patterns resulting in increased famine and shortages, but also droughts without any water.

Discussions must advance a human rights-based agenda. We need to have new, additional, public, grant-based and concessional resources to assist developing countries facing this crisis. The challenges are intertwined now more and more with debt, tax systems and illicit financial flows, all of which have significant implications for human rights. Understanding these complexities is key to identifying **innovative climate finance solutions**, many of which have been presented in the thematic report.

Sovereign debt plays a key role in a country's capacity to face climate crisis and to ensure the enjoyment of human rights, and countries are already struggling under very heavy debt levels and becoming even more vulnerable as a result of climate action. The solutions being offered are **debt for climate swaps, debt cancellation and governance bonds**, some of which can actually provide a visible way forward, but we need to balance these very, very carefully with other financial interventions.

Taxation can also provide a clear way forward, especially if we ensure equity in this process, and today we actually have a very historic opportunity before us to rebuild the global tax architecture through the UN General Assembly (UNGA) process of a new tax treaty, and therefore try and achieve some kind of tax justice.

Tackling and redirecting **illicit financial flows** towards climate financing is a possibility. However, it is such a grand amount of money that most countries are shying away from actually dealing with illicit financial flows. Even with the negotiations at the UNGA, illicit financial flows was not taken up because it is so hot, but that does also lead us to the issue of it is hot because there is finance there. There is money there, and we can use it to assist in climate-related issues. Scaling up climate finance by **reforming the global financial system** and strengthening tax structures, as well as combating illicit financial flows, is therefore essential to unlocking resources that the world currently needs.

States, international financial institutions and regional blocs should all shift focus from complex financial instruments like debt and equity guarantees and move more towards resource distribution, debt cancellation, and the **honouring of pledges**. The IE cannot repeat this enough times 'please honour your pledges.' If unable to, please do not make pledges. Developing countries are relying on those pledges when they are making decisions. The failure as a Member State to honour its pledge results in an even greater crisis on mitigation and adaptation funds.

In closing, the IE emphasizes that the international community must **integrate human rights and climate justice** through a systemic approach that recognises the interconnection between human rights and the protection and establishes regulatory frameworks.

PRESENTATION OF COUNTRY VISIT REPORTS

The IE apologises for having managed to perform only one country visit to Angola in 2024. Turning to country visits agreed for the year 2025, the IE extends her gratitude to the Governments of both Niger and Tajikistan for going above and beyond in trying to make sure the IE did conduct her country visits. However, the IE was informed that unfortunately there was **neither finance nor staff available** at OHCHR for these country visits. The IE hopes she will have clarity on it going forward.

Turning to the presentation of the report on her country visit to **Angola**, the IE states she was deeply moved by the outpouring of support that the government of Angola provided to her. The Angolan Government and the people of Angola made sure that the visit was not just completed, but completed successfully. The visit was conducted from 8 to 17 July 2024. The **three main objectives of the visit** were to assess, firstly, **progressive realisation of human rights** with a focus on children and sustainable development; secondly, the **impact on public debt**, structural adjustment, fiscal consolidation and other economic reform policies with a link to the realisation of human rights; and thirdly, **illicit financial flows and their impact on human rights**.

Angola is the third largest economy in sub-Saharan Africa and is ranked as a lower middle income country with, at 2022, a GDP of $106 billion. The country is amongst Africa's top three oil producers, has natural gas and is the second largest diamond producer in the world. Substance agriculture, however, remains the primary livelihood for most of Angolans and this is very odd if you hear the data on resources.

In Angola, as in other post-conflict states, the economy remains **heavily cash dependent** and although efforts have been made over the past five years to formalise the financial system and improve macroeconomic management as well as enhance the public sector. The IE noticed, unfortunately, that the private sector involved in banking has not been very supportive of the Government's activities. Reforms have strengthened stability with a more flexible exchange rate regime as well as autonomy for the National Bank of Angola and developing monetary policies as well as elements of fiscal consolidation were noted.

The IE commends Angola's participation in the **Stolen Assets Recovery Initiative (StAR)** led by **UNODC and the World Bank** and they have managed to now return $64 million from Switzerland for the Angolagate case. The IE hopes that Switzerland, as well as Angola, as well as other Member States will continue to support the return of stolen assets as the IE had set out in her guidelines on the repatriation of state assets last year. Furthermore, the IE acknowledges Angola's efforts to **address economic challenges** through their national development plan which is focussing on economic diversification. However, it is facing challenges. Infrastructure development, education, healthcare, governance, transparency, as well as anti-corruption measures have been prioritised, but much does still need to be done.

Angola has a **good history of paying off its debt**. But what becomes very interesting is the rating agencies do not feel that this is responsible action. The IE highly recommends reading the report of a previous mandate holder on credit rating agencies and their implications on countries that **pay off debt but still get downgraded**, something that should cause all of us some concern. Combating poverty and hunger remains a pressing need, particularly for the most vulnerable.

The IE was dismayed to see the lack of protection of children. There is a need to seriously **enforce laws on child labour**. There is a need to enforce, monitor, evaluate issues around forced labour and trafficking of persons. But there is also a need to push for access to education, healthcare and proper nutrition. The IE was physically able to identify children going through both malnutrition as well as protein deficiency while she was there, which, till today, remains quite concerning. Angola is spending between 2.3% of GDP and slightly more, as at 2025. Definitely, in a country that has a birth rate of a million children a year, much more has to be spent on education.

The IE's recommendations emphasise the need to support the creation of a **global fiscal architecture** to ensure that the state is able to commit to tackling illicit financial flows because part of the problem is not that Angola may not be able to do things, but the fact is that illicit financial flows requires a commitment of all Member States in the world to ensure that they will be successful in returning these assets as quickly as possible.

The IE has suggested that Angola conduct a **human rights impact assessment** both before, during and after **implementing economic reforms**, so as to be able to assess whether there is a negative impact on human rights. Additionally, the debt sustainability analysis should be carried out with a broader perspective, again incorporating human rights as well as social and economic considerations.

Angola does need to continue to work towards **economic diversification with sustainability** in mind, particularly by addressing the needs of the youth and vulnerable populations. Finally, international and financial institutions, international development assistance actors and foreign lenders should prioritise the realisation of both economic, social and cultural rights as well as civil and political rights when engaging in development, cooperation and lending.

Member States should support the establishment of an international fiscal authority. The IE would like to encourage Angola to take lead in this, in order that there can be a regulation of private bonds, public debt holders, credit rating agencies, taxation, global dispute resolution as well as debt management. There is one solution that I think is quite key. Angola has a history of salt, palm oil and cassava. The IE believes that Angola is a country that is **poised to make itself food self-sustainable** it puts fiscal protections behind those three products as the agricultural base.

CONCLUDING REMARKS

Ms. Attiya WARIS proposes three sets of measures, while stressing that her solutions are the only ones, but they could provide some guidance or way forward.

The first is about the **formula and the types of formulas** that are being used. The world, without a doubt, is in extreme economic stress. The result of that is that Member States are starting to look inwards instead of outwards. The IE encourages Member States as a first rethink on their solution is **not to look inwards but to look outwards** - change the direction of your thoughts and look to see who the most vulnerable is within climate finance spaces. There are people that are drowning. There are people that are also completely without water. So, the basics of what people are going through are intense and they are hard. So, Member States shall rethink that and focus on the most vulnerable.

The second solution the IE proposes is on how to **integrate climate and human rights into fiscal spaces**. When the IE looks at the **negotiations on formulas**, what she sees is power play and trade-offs. The IE believes it is high time to stop doing that. We have to look at this space and try and rebuild the **trust that is broken in the world**. The only way we can build that trust or rebuild it, because some will tell you that there has never been any trust at all, that is how bad the conversation has gotten in different spaces. If we do not make attempts to build this trust, what we are going to have is a deepening crisis because the triggers and the symptoms that the IE seeing across the world are intense. It is imperative to rethink, reflect, reconsider. Whether or not States have a clear position on climate, States have changed your position or otherwise, the point is that **climate change is a matter of fact**. The point is that we are going through very different seasons no matter what part of the world we are in. We need to really think very seriously about how to stop climate change as much as possible. For this purpose, the IE's report focuses on the **use of finance to stop, slow down, track and trace**. It is not too late.

The third solution revolves around the types of measures to ensure that Member States **actually honour the pledges that they have made**. Firstly, the IE's recommendations is to do not make a pledge if you do not know how to pay it. Secondly, there should be a time limit between the moment you make a pledge and when you pay it. We live in the digital age. **Honouring a pledge is a click of a button** and it takes seconds. This can be done and it can be done immediately. If you are going to make a pledge, make a pledge and state that when you are going to honour it and then honour it. The IE mentioned trust at the beginning of her statement. The inability of states to do this is actually destroying the trust quotient. Thirdly, a pledge should be considered as a debt. If you made a pledge, then let it be a debt. Go, get a loan and pay off your debt. That is a pledge and be honourable.

The IE strongly believes that a **principle-based approach** is clearly missing. In order for us to rebuild trust in this space and grow it, the IE has repeatedly referred to the **principle of fiscal legitimacy**, which some of you have also mentioned during your interactions.

Starting with the **issue of transparency**, then all financial transactions go through the Bank of International Settlements, which is a private company registered in Zurich. To track, trace and stop illicit financial flows, which do also have an effect on the climate situation, that we are able to access this information, and so that there is really transparency in the space.

Turning to the **issue of effectiveness**, the IE encourages the Organisation of Islamic States to follow through with what the Vatican has taken up, which is to set up a Global Tax Committee with a group of experts looking into these tax implications. While dealing with Member States, the IE believes informal spaces and spiritual spaces are going to become more and more important in uniting the world across these issues of grave concern.

Always on the issue of effectiveness, the IE has received the information on the use of GDP, and she does understand the concerns around it. She adds that UNDESA has actually developed the Multidimensional Vulnerability Index (MVI), which the IE thinks it is a good alternative to GDP. Looking at ways forward, the IE suggests **moving out of a GDP-based methodology** and trying to **reflect on the Multidimensional Vulnerability Index**. The latter can be widened to include failure to honour pledges.

This brings the IE to the **issue of accountability**. We need to set up a system where we look at what type of financial commitments states have made, what kind of financial commitments and damage they have done across the world. When states enter into the negotiating space, do not let it be a power and a trade-off-based discussion. Let it be a discussion where states come in and we all know exactly what they have and have not done, not whispers in the corridor and unending negotiations behind closed spaces.

We also need to make sure that there is **responsibility**. Member States are pushing the responsibility on climate finance to the private sector. But this is a clearly state responsibility. There can be interventions at state level and national level, where taxpayers, residents and citizens are trying to find ways to mitigate the problem. But at the end of the day, it is a **state responsibility**. Creating solutions that abrogate state responsibility is a dangerous direction.

On the **issue of justice**, justice means all should have **access to infrastructure**. The IE noticed that subsidies are allowed, especially on issues around green climate events and infrastructure in the Global North. But in the Global South, the same infrastructure is incredibly expensive. Solar panels are actually out of the reach financially of most people in the developing world. We need to be realistic about what is just in the system and what we are asking people to do.

Turning to the **issue of fairness**, there are **four credit rating agencies** in the world. They are all private. They are all housed in one single country. The question is who are you relying on to decide on the value of your economy? This is a big question mark. Why is there no global credit rating agency if we really want one? This leads to a bigger questioning. What is this international financial architecture? Is it even an architecture? How do we pull it together? How to build on it?

In conclusion, the IE recalls that **simplicity is the way to go**. The more complicated the instruments, the worse it is for developing countries, especially the least developing countries. They become unaware of how you are dealing with issues. So if you are going to create complex instruments, explain them, but do not implement them in countries which are not able to grasp what you are trying to put into place. When you are developing some of these instruments, especially in climate finance, ensure that they actually fit into the country in which you are implementing them, which takes the IE to two comments.

Firstly, **do not use water for clean, green hydrogen projects if a country does not have water in their taps**. The IE has seen this repeatedly. It gives the IE really grave concern. Secondly, the IE evokes the **trade-off issue**. Many countries will say we will give you climate funds, but you need to collect your taxes better. This is not a question of do this and then you get this. This climate crisis is not going away. So you cannot use these kind of power plays in negotiating. What you have to do is give the money, honour the pledge and take it forward.

INTERACTIVE DIALOGUE

Country Concerned

The delegation of **Angola** praises extends its gratitude to the IE for her report on the country visit at the second semester of 2024, thus demonstrating its Government's unwavering commitment to transparency, accountability and to the continued cooperation with the human rights mechanism. Angola appreciated various engagements undertaken by the IE with relevant stakeholders during the visit, mainly focussed on related to the debt management, sustainability and debt restructuring, fiscal affairs, illicit financial fraud and their implications for and in the human rights. The IE met various members of the Government and a wide range of ministry officials at technical level, had meetings with the parliamentarians, with the representatives of civil society and also travelled to Benguela and Lobito to meet local authorities.

Angola considers that the report provides an outside perspective which is extremely valuable. It supports the State in order to identify problems and possible solutions with the view to help the country **fulfil its human rights obligations**. Angola is analysing it carefully and studying all the recommendation details, and it intends to strengthen cooperation with civil society organisation and other interested stakeholders at the national level.

Angola is committed to **strengthen the domestic resource mobilisation** mechanism by improving tax system, combating illicit financial flows and enhancing public financial management that would reduce excessive dependence on external borrowing and provide a greater financial autonomy to drive a sustainable growth that will contribute and improve to the well-being of population.

The international community's response to the debt situation has been insufficient and does not address the existence of deficiencies in the operability of the international financial architecture. Governments are still waiting for the outcome and struggling to initiate a restructuring in that regard, which is deep enough to develop conditions for a sustainable economic recovery.

In closing, Angola highly values the long-standing work of the UN this year, as well as the work carried out by the IE and her predecessors in advocating for a reform of the international financial architecture, which will and can drive towards a resolution of debt crisis in order to guarantee the full enjoyment in the human rights system, particularly the economic, social and cultural rights.

Views Expressed by State Delegations

Jordan jointly with the Arab Group reiterates that climate finance is a tool to help developing countries to mitigate the negative impact of climate change and adapt to it. The Arab Group shares the assessment of the report that climate finance is a pillar in global climate governance and it should rely on the principle of common but differentiated responsibility. Developed countries should provide the developing countries the bulk of financial resources given their historical contribution to greenhouse gas emissions. The Arab region is one of the most affected by climate change. The region endures desertification and droughts as well as scarce water resources. This threatens food and social security. The Arab countries are responsible for a small part of these emissions. The Arab Group notes that debt burdens, trade imbalances, and illicit financial flaws undermine the financing of climate projects and also their efforts to adapt to climate change. The Arab Group calls on developed countries to fulfil their international climate commitments, especially through financing the loss and damage fund and by enabling developing countries to access grants.

Ghana jointly with the African Group welcomes the report of the IE which comes at a critical juncture as African nations face the compounded challenges of the worsening climate crisis and unsustainable debt burdens. The African Group commends the report's focus on the glaring disparities that continue to plague the global climate finance architecture. The unfulfilled $100 billion promise remains a stain on international cooperation while the mass celebrated Loss and Damage Fund remains largely non-operationalised, and crucial details on funding arrangements, accessibility and governance still unresolved. The African Group reiterates its call for a shift towards a giant-based financing that does not further burden African economies. The principle of common but differentiated responsibility must be upheld. The crashing burden of debt severely restricts the physical space available for essential investment in crucial social services. The fact that African countries were expected to spend $163 billion on debt servicing in 2024 exceeding all climate finance pledges combined is a clear indication of this debilitating reality. This is not simply a matter of economics, it is a matter of justice. The African Group calls for comprehensive debt relief measures, including debt cancellation to alleviate the spread. Moreover, the African Group emphasises the importance of a fair and effective taxation system. The report's discussion of global taxation underscores the need for greater international cooperation to combat illicit flows. The African Group calls for equity and justice in addressing these challenges, requesting concrete action beyond rhetoric.

On behalf of the **CARICOM Group, Trinidad and Tobago** thanks the IE for the critical perspectives and recommendations shared in her report, particularly given the pertinence of the climate debt nexus for cities such as ours. Against the backdrop of a challenging geopolitical landscape and shrinking fiscal space, the CARICOM Group highlights the deepening vulnerability of countries within the Caribbean region resulting from exogenous shocks, climate and environmental crises, and the lingering effects of the COVID-19 pandemic. The report highlights the reform of international financial architecture, climate reparations, and debt cancellation among the solutions needed to address the ongoing vicious cycle of debt accumulation and climate vulnerability. As SIDS, the CARICOM Group also reiterates the continued relevance of the Antigua and Barbuda Agenda for SIDS and the Bridgetown Initiative 3.0, which both present measures for addressing the credible reform of the international financial landscape and the mobilisation of adequate climate finance. The lack of progress in climate finance mobilisation was also emphasised by CARICOM Heads of Government last month. This year presents meaningful opportunities to tangibly advance the reform and mobilisation agenda, such as FFD4, UNCTAD

16, and COP30. As we engage in these discussions, the CARICOM Group reiterates that a holistic, human rights-based approach to the issue of foreign debt remains critical.

Indonesia shares the IE's concerns at the shortcomings of the international financial system in fulfilling global commitments to provide climate finance for developing countries. This failure exacerbates the burden on developing countries, which are already grappling with high external debt. Tax-related illicit financial flows also deplete countries' resources and limit their ability to secure adequate climate finance. Ensuring the availability and accessibility of climate finance is not only instrumental to address climate change, but also crucial for realising human rights in climate-vulnerable countries. Indonesia underscores the important role of innovative financing in bridging the climate finance gap and strengthening climate resilience. In this regard, Indonesia has taken significant steps through the issuance of Green Bonds, Blue Bonds, and Green Sukuk Bonds, reinforcing its commitment to sustainable financing and climate action. Indonesia calls on international partners to collaborate in advancing innovative financing for supporting climate justice and upholding human rights for all. It also ask the IE how could civil society contribute to ensure that the recommendations outline in her report are implemented by the governments in the Global North.

Kuwait notes the report of the IE and welcome the recommendations therein. Kuwait emphasises the importance of this issue within efforts to combat climate change. It is a key component of climate change and sustainable development. Kuwait plays a leading role in climate finance regionally and internationally and has taken a raft of measures to combat climate change and strengthen efforts to mitigate climate change. There have been credits to the tune of $23 billion. In conclusion, Kuwait affirms its support to the IE and emphasises the need to take into account illicit financial flows and the need to repatriate them.

Thanking the IE for her presentation, **Germany** stresses that unsustainable levels of debt and shrinking fiscal space due to high costs for debt servicing are a challenge to sustainable development. They can pose obstacles to the full realisation of economic, social, and cultural rights. This we need to address collectively. First, as the creditor landscape has evolved substantially over the last decade, including new bilateral lenders such as China, coordination, burden sharing, and human rights safeguards are more essential than ever. Germany therefore supports the G20 Common Framework for Debt Treatment. Germany also supports the South African G20 Presidency Priority to foster dialogue on the global debt architecture and to further improve it. Second, innovative instruments to address debt issues can also help with critical investment and economic development. Germany, for instance, has a longstanding tradition of bilateral debt swaps with developing countries. In this context, debt for climate, debt for nature, debt for health swaps are valuable options and deserve further attention. Germany looks forward to the fourth International Conference on Financing for Development this June, where we will need to achieve further progress for financing sustainable development together.

Vanuatu appreciates the IE for recognizing it has been at the forefront of calls for climate damage compensation and debt relief. Despite the continuous resolution of the UNHRC on this subject, unfortunately, the external debt of developing countries has almost doubled since the 2008 global financial crisis. This is particularly warning for the small island developing states (SIDS) like Vanuatu who have been on the front line of climate change. As highlighted in the IE's report, the vicious cycle of debt accumulation and climate vulnerability is further aggravated in many instances by finance being offered as loans to fund climate projects. As natural disasters escalate due to climate change, Governments are often required to borrow more money to recover and rebuild, adding to the existing high-level debt. There is an urgent need for an immediate solution to the problem of foreign debt whose excessive amount hinders our effort to focus on sustainable development. Vanuatu supports the debt cancellation of climate-vulnerable countries, particularly those that contribute the least to climate change, which is a moral and economic necessity. Vanuatu and SIDS should not carry the burden of both debt and climate change without adequate compensation and support.

Nepal underscores that climate action is urgent and climate finance is inadequate. Therefore, it becomes vital to implement the principle of climate justice, common but differentiated responsibilities and the Polluter Pays Principle. Nepal is home to the Himalayas and the mountain ecosystems. Nepal has been bearing a disproportionate burden of climate change. The country has set a target to attain net zero emissions by 2045. However, Nepal continues to confront challenges such as rising debt services, inadequate access to climate finance, high vulnerability to the climate-induced disaster and the lack of necessary resources for mitigation and adaptation, limiting its people's right to enjoy full human rights. To conclude, Nepal would like the IE elaborate on the ways to enhance the effectiveness of the climate funds, the formulas and their role in achieving the global goals, notably the climate goal.

Morocco notes the reports of the IE and welcomes the selection of the topic of the interlinkage between human rights and financing climate action. Climate change is one of the biggest challenges to the full enjoyment of human rights, particularly because of the consequences on food security and health, particularly in developing countries. Access to finance is crucial for the countries concerned by adaptation measures, especially in Africa, whose capacity to finance climate action is limited by the debt burden and illicit financial flows. Morocco is convinced of the importance of a human rights-based approach in financing climate action in order to ensure an effective, inclusive environmental transition for all countries. International cooperation must be stepped up to allow equitable access to climate finance. Conscious of these challenges, Morocco has adopted its National Climate Plan 2030. One priority is to strengthen financial capacities. Morocco's national central bank has published guidelines to ensure that financial linkages with climate change are taken into account for better management of climate impact on the economy and a more resilient financial system.

Iraq welcomes the report by the IE and the recommendations therein, especially as regards the consequences of debt on the enjoyment of economic, social and cultural rights. Iraq has halved public debt and has adopted a national strategy to 2030 in order to address challenges and ensure a transition via climate projects. Iraq welcomes the recommendations in the report, particularly on the need to restructure debt and make transparent choices on financial flows in order to have a more effective policy to address the debt burden, particularly for SIDS and LDCs while supporting their efforts for adaptation.

Malawi welcomes the report of the independent expert which focusses on understanding the landscape of climate finance, debt, tax, illicit financial flows and human rights. As noted in the report, the idea of equity and justice as a bedrock principle of fiscal legitimacy is key to climate finance. Unfortunately, the international financial system has failed to live up to the commitments made. The target set by the Copenhagen Accord of 100 billion annually for climate finance has not been delivered, leaving vulnerable regions to continue facing the brunt of climate change. The escalation of natural disasters has complicated existing debt crises as developing countries are forced to borrow for reconstruction efforts due to destruction of infrastructure. This has a staggering effect on the engagement of human rights. We welcome the finalisation of the terms of reference for the United Nations Framework Convention on International Tax Cooperation, which is set to be agreed by 2027. Malawi hopes that this Convention will also deal with illicit financial flows which would strengthen the ability of developing countries to mobilise financial resources. Malawi, therefore, joins the cause for genuine efforts to reform a global financial system that would enable climate-vulnerable countries with the much-needed space to address the climate crisis

Zambia welcomes the IE's report on an issue that is pivotal in showcasing what may well be the success story or dismal failure of multilateralism. Developing countries like Zambia face a complex web of climate finance, debt, tax issues and illicit financial flows, all impacting human rights. Debt burdens drain public budgets while climate change intensifies disasters, forcing nations to borrow even more. Meanwhile, tax abuse and illicit financial flows rob countries of vital resources. This vicious cycle limits investments in health care, education and climate adaptation, thus deepening inequality. The conclusions and recommendations in the report of the IE, if heeded, may break this cycle through debt relief, fair taxation and true climate justice, which is essential for a sustainable, equitable future. Without addressing the interconnected issues of debt, climate finance, tax injustice and illicit financial flows, many countries, especially in the Global South, will struggle to achieve the SDGs and will be left further behind than they were before 2015.

The **Holy See** takes note of the report of the IE on foreign debt and expresses its concern that global public debt reached 97 trillion in 2023, placing a significant burden on highly indebted countries. Moreover, the unsustainable cost of debt servicing often translates into cuts in essential public services such as education and health care. It is also alarming that developing countries spend 13 times more on external debt repayments than on combating climate change. Inadequate climate finance and the shortcomings in international financial architecture have further exacerbated their situation. While developing countries grapple with unsustainable levels of financial debt, the international community should recognise another form of debt, ecological debt, which refers to the responsibility of those countries that contributed disproportionately to climate change. Pope Francis has launched an appeal to cancel or substantially reduce debt as a matter of justice during the Jubilee Year that is being celebrated by the Catholic Church. In this context, the Holy See Mission, together with UNCTAD, organised an event on 25 February 2025, co-sponsored by Brazil, Ghana, the Philippines, South Africa and Spain, to open a dialogue on debt crisis with relevant stakeholders, including financial institutions. This demonstrated the relevance of the discussion here in Geneva, which we hope will continue in the future.

Iran agrees with the IE that challenges of climate finance, debt, sustainability, taxation and illicit financial follow are deeply intertwined with the realisation of human rights. As the global community strives to mobilise resources for climate action and sustainable development, many nations face systemic barriers that prevent them from accessing financial mechanisms essential for their progress. Unilateral coercive measures (UCMs) exacerbate these challenges. Sanctioned countries are often denied access to international financial institutions, development aid and climate funds, making it nearly impossible for them to implement necessary adaptation and mitigation measures. These measures limit the targeted government's ability to invest in public services, including environmental protection and social welfare programmes. If the international community is serious about addressing climate change and ensuring global sustainability, it must acknowledge that excluding sanctioned states from climate finance mechanisms is both counterproductive and a violence of their rights. Iran calls for an inclusive and depoliticised approach to climate finance, one that ensures all nations can access the resources they need for sustainable development. Cooperation, not coercion, must be the foundation of our collective effort to protect both the planet and human rights.

Togo remains committed to differentiating common responsibilities in climate action. Togo expresses its concern at the adverse impacts of COVID-19 and the monetary policy in the advanced economies on the economies of dozens of developing countries. Their countries are further weakened because of these factors and now suffer debt distress. They have a limited margin for budgetary manoeuvre in investigating and attenuating the impacts of climate change. Togo believes that upholding the commitments undertaken within the Paris and Copenhagen Agreements involves effective implementation of the guiding principles of financing climate action, including equity and justice, which are at the heart of fiscal legitimacy. In conclusion, Togo supports the recommendations made by the IE, including those on raising $5 billion annually as subsidies, debt cancellation and technology transfers to mitigate the effects of climate change and support adaptation and combating illicit financial flows.

Burkina Faso congratulates the IE for her report, which highlights the impact of debt and illicit financial flows on the environment as well as the impact that it has on human rights. It is undeniable that public debt significantly contributes to the enjoyment or has an impact on the enjoyment of economic, social, and cultural rights, prevention of climate change, and the implementation of significant structural projects that could positively impact the lives of people. Excessive debt jeopardises domestically a state's ability, given that it limits the resources to secure sustainable development and thereby guarantee the enjoyment of the human rights of future generations. It is for that reason that, given this issue, Burkina Faso's Government, under the empathy of its President, is implementing development projects based on community financing. These initiatives limit debt and contribute to creating autonomous populations, strengthening their resilience to climate change. Additionally, the implementation of the national strategy to create ecovillages will assist in meeting the economic, social rights of the population while respecting the natural heritage and our environment according to the principle of environmental sustainability.

Egypt values the efforts of the IE to highlight the effects of financial obligations on the full enjoyment of human rights, and thanks her for an invaluable report. The latter outlines the close link between foreign debt and the ability of governments to fulfil socioeconomic obligations. These ever-increasing debts affect the ability of governments to invest in sectors such as healthcare and social protection. Climate finance has also become an additional challenge for developing countries as they face increasing strain to fulfil climate finance. These problems require a balanced approach, taking into consideration development needs of developing countries without compounding their economic crises. Egypt agrees with the report there is an urgent need to find more equitable international mechanisms to address the debt crisis, including restructuring, providing concessional financing, and easing the burden of developing countries to allow them to channel these resources towards sustainable development. Egypt stresses the important role of international financial institutions to provide sustainable solutions for these challenges facing developing countries.

Zimbabwe welcomes the report of the IE the intersection between debt, taxes, and illicit financial flows, and on the implementation of innovative financing towards protecting the right to a clean environment and a healthy environment and preventing further climate damage. It is a fact that the huge external debt overhanging is negatively impacting on the socio-economic development of Zimbabwe, while at the same time the country is burdened by UCMs that continue to hinder access to affordable external financing, which is needed to fund the country's critical developmental projects and programmes. The foreign debt is significantly impacting the Government's ability to provide basic rights to its citizens, particularly economic, social, and cultural rights in critical sectors like health, education, housing, and food security and nutrition. Servicing the debt has diverted scarce resources and consequently deepened poverty, inequality, and eroded the resilience of all citizens, thereby undermining fundamental human rights. Zimbabwe adds its voice to the calls on incorporating human rights frameworks into climate policy to ensure the protection of the vulnerable populations and providing climate-vulnerable countries with the fiscal space needed to address the climate crisis. Zimbabwe concurs with the IE's assertion that by scaling up financing, reforming global finance systems, strengthening tech structures, and combating illicit financial flows, the international community can unlock the resources necessary for addressing climate crisis.

Malaysia appreciates the report's recognition of Malaysia's Green Sukuk Bonds, which are a key component of its broader mechanism to mobilise climate finance. Climate change challenges are intertwined with debt, tax systems, and illicit financial flows, all of which have significant implications on human rights. In this context, Malaysia recognises that fiscal legitimacy and the fiscal-social contract are foundational to the mobilisation of inclusive and fair climate finance. In recent years, Malaysia has been integrating sustainability into its national policies through numerous proactive initiatives. These include the MADANI Economy Framework, National Energy Transition Roadmap, and New Industrial Master Plan 2030. The launch of specific mechanisms such as the Green Technology Financing Scheme and the world's first Sharia-compliant Bursa Carbon Exchange are also important in the context of SDG implementation. Debt sustainability is central to Malaysia's economic landscape. The Public Finance and Fiscal Responsibility Act 2023 sets a target to reduce the deficit to 3% of GDP and cap debt at 60% of GDP. The medium-term revenue strategy has also been introduced to enhance revenue mobilisation rather than the tax-based and revised tax incentives. Moving forward, Malaysia is committed to promoting a fair and responsible financial system that upholds human rights, climate justice, and economic resilience for all.

Nigeria thanks the IE for her insightful report on how debt taxes and illicit financial flow impact on the right to a clean environment and climate change prevention. Illicit financial flows and foreign debt remain the major challenges for several developing economies, depriving them of critical resources needed to address climate change. In this context, Nigeria emphasises the need for increased and more accessible climate finance, particularly for adaptation, fair debt relief, reforms in international tax systems, and robust measures to combat illicit financial flows. These measures are vital to ensuring that resources are mobilised effectively for climate change. To demonstrate its commitment to reducing its greenhouse gas emissions, Nigeria enacted the Climate Act of 2021, providing a legal framework to achieve its climate goals and promote long-term social and economic sustainability. In addition, Nigeria launches its International Determined Contribution Framework in 2024, which outlines several adaptation and mitigation measures. In conclusion, Nigeria reiterates its commitment to combating illicit financial flows (IFFs) through strengthening regulatory frameworks, enhancing international cooperation, and capacity building. Nigeria emphasises the need for greater transparency to curb IFFs and ensure that resources are effectively utilised for sustainable development.

Algeria shares the IE's concerns over the effects of foreign debt on tackling climate change. Efforts should be made to mobilise resources to ensure energy transition and also resilience, taking into consideration the historical role of developed economies to achieve climate justice. This crisis eroded the budget for healthcare and education, which also undermines the achievement of the SDGs by 2030 in poor countries. Algeria stresses the need to introduce more flexible mechanisms, including debt cancellation, debt restructuring, and suspension of debt service. We also need to expand development finance. The global financial system must be reformed to address the needs of these countries when it comes to energy transition and adaptation. The funds of illicit origin should be repatriated to the people who deserve it. In August 2023, with the UNDP, Algeria launched the adaptation plan, which is part and parcel of its ongoing efforts to promote sustainable development and protect its environment.

The **Maldives** takes note of the report of the IE on the effects of foreign debt and international financial obligations on human rights and recognises the need to best align with its call for human rights framework to be incorporated into climate laws and policies to promote equity and social justice. The Maldives echoes the report's concerns that current climate finance commitments remain insufficient. Vulnerable countries such as the Maldives often lack the necessary financial resources to adequately adapt and mitigate climate risks. Furthermore, high debt servicing costs divert crucial resources away from climate action and essential public services, exacerbating inequality and limiting the ability to build resilience. The Maldives has been advocating for an innovative debt instrument, one that would allow creditors to write off a portion of a country's debt or reduce their interest rates based on the country's investment into resilience. This debt forgiveness for resilience building mechanism ensures that countries are rewarded for their investment into building resilience while also reducing their debt burdens and freeing up more fiscal space for investments. The Maldives remains committed to global cooperation in advancing climate finance reform and calls for urgent action to create a fair and sustainable global financial system that enables all nations to confront the climate crisis with resilience and dignity.

Ecuador thanks the IE for her report which highlights that the climate financing needs for mitigation adaptation - in addition to the cost of losses and damages caused by climate phenomena - far exceed the new goal of the pledged $300 million by 2035. This undeniable fact is alone an example of non-compliance of the principle of shared responsibilities. If we bear in mind that countries like Ecuador that contribute only 0.19% of global emissions could end up losing 4% of its GDP per capita by 2050 due to the impact of climate change on its economy. Additionally, foreign financing has further affected our levels of debt and investment in the very needed energy transition, which jeopardises the future generations' right to a wholesome environment. Given this and the high vulnerability, given the intensification of climate change phenomena, my country has struck debt for nature agreements. But there are urgent structural solutions that could help us alleviate debt without jeopardising sustainable development and climate justice.

According to **Eritrea**, the interlinkages between climate finance, debt taxation, and illicit financial flows have profound implications for human rights, particularly in developing countries. The growing debt burden coupled with the challenges of mobilising climate finance limits the ability of nations to invest in essential services, infrastructure, and sustainable development. Despite this commitment to self-reliance, Eritrea, like many developing nations, faces structural barriers in accessing climate finance. UCMs and external pressure hinder its ability to implement sustainable development initiatives, including climate adaptation and mitigation efforts. At the same time, illicit financial flows continue to drain resources from Africa, depriving countries of the capital needed to invest in their people and environment. To address these challenges, Eritrea emphasises the need for a fair and just international financial system, one that ensures that developing nations will not remain trapped in cycles of debt and underdevelopment, unable to fully realise the rights and aspirations of their people.

Colombia agrees with the IE in that debt-for-nature swaps are one way of solving issues related to debt and climate change while respecting human rights. Colombia is facing high debt levels domestically and abroad, which limits its ability to invest in climate change adaptation mitigation programmes. In addition, illicit financial flows arising from activities such as drug trafficking, illegal mining, illegal trade of flora and fauna, money laundering, corruption, and tax evasion divert resources that could be earmarked to combatting climate change. Countries need enough fiscal space and autonomy to invest in development, climate change mitigation, and the preservation of biodiversity, bearing in mind the investment needs related to transitioning towards sustainable and resilient economic models. Lastly, the Green Climate Fund is a strategic partner for securing carbon neutrality by 2050 with the sovereign Green Bond.

The **Russia Federation** is impressed by the IE's focus on the structural inequalities upheld by the international financial system. The West-centric system of international credit raisings means that vulnerable countries need to borrow at highest rates. As a result, the weighted average cost of credit for developing countries is three to four times higher than for developed countries. Therefore, developing countries are pressed into financial bondage and have no way of breaking the vicious cycle. They must pay their debt instead of investing in basic essential goods. Russia believes that this approach effectively facilitates a neocolonial policy with respect to the countries of the world majority, which creates the conditions for a worsening situation for human rights in countries as well as in the world as a whole. Russia shares the view of the IE that the debt crisis in developing countries has serious consequences for human rights. At the same time, Russia draws attention on the excessive focus on the green agenda, which is an arbitrary extension of the mandate of the UNHRC on nature and climate issues.

China notes the report of the IE which highlights the role of climate finance in reducing carbon emissions and enhancing climate resilience and supporting vulnerable groups. China has always attached great importance to green development, actively promoted international cooperation to address climate change and supported developing countries in upgrading their climate response. Since 2016, China has provided and mobilised more than 177 billion yuan in project financing, providing strong support to other developing countries. Based on the legitimate concerns of developing countries, China has pushed for the conference of parties to reach the New Collective Quantified Goal (NCQG) on climate finance. The IE points out in her report that climate finance is not only a tool for addressing climate change, but also an essential component for fulfilling international human rights obligations. China calls on developed countries to honour their commitments by providing adequate financial support to developing countries and taking practical action to uphold global climate justice. China wishes to ask how more measures can be taken so that developed countries will effectively undertake their international obligations on climate finance.

Praising the IE's report, **Cameroon** notes the link between additional financial flows, debts, and the impact of climate change. There should be efforts made to guarantee the economic, social, and cultural enjoyment of people's rights. Cameroon remains concerned by the increasing debt service which limits the leeway that countries have to secure development as well as their ability to invest in priority sectors such as education, health, and climate-resilient infrastructure. With this in mind, Cameroon calls for structural reforms of the international financial system, which should include debt restructuring mechanisms that are more adapted to the realities of vulnerable countries. Cameroon underscores the importance of effective access to climate financing, particularly for countries that are on the front line of the impact of climate change. The financial commitment taken by developed countries should be honoured, and the financial mechanisms must be fine-tuned so that developing countries can fully benefit from the resources made available for mitigating and adapting the effects of climate change. Lastly, Cameroon supports the financing for development policy, which is an approach that takes into account the needs of the rural population to guarantee that the funds granted have a positive impact on the enjoyment of rights.

Bangladesh thanks the IE for her report highlighting ongoing global discussions on climate finance through a human rights lens. Inadequate climate financing coupled with increasing debt burden on the developing countries is having serious human rights implications, particularly for marginalised population. Addressing these challenges requires coordinated global efforts with the principle of common but differentiated responsibilities as the cornerstone for strengthening global climate governance. In this context, Bangladesh reiterates following points. First, reforms are needed to the rules and practises of the global financial architecture. Greater leveraging of multilateral capital can better support developing countries with comprehensive social programmes related to climate actions. Second, the State Party should cooperate to promote a supportive and open international economic system that would lead to sustainable economic growth and development for all. Third, measures taken to tackle climate change, including unilateral ones, should take into consideration the concerns of economies most affected by the impacts of response measures, in particular the LDCs. Lastly, the design of the climate measures should seek to maximise mitigation and adaptation impacts and minimise negative spillovers on sustainable development. This is especially important for less advanced economics with less finance fiscal space, productive capacity and infrastructure.

Cuba believes the unfair international order perpetuates inequality and the financial gap between an opulent North and a South that is compelled to take on debt due to disparities that the system itself generates. This order only serves a select group of nations. Nations that got prosperity at the expense of the South's impoverishment, thereby becoming the constant creditors. The North's historic debt remains unpaid. Developing countries have seen their external debt double over the past ten years. When accessing financial markets, they face interest rates that sometimes are up to ten times higher than those of developed countries. Many nations in the South are forced to allocate a substantial part to their revenue to servicing the debt more than to the work for attaining other economic, social, and cultural goals. Under such conditions, it will be impossible to attain the SDGs nor face climate change. The foreign debt of developing countries, which has been already paid off several times but is still increasing, should be pardoned. Cuba supports the statement of the IE. During this Council's session, Cuba will present a draft resolution on the consequences that foreign debt has on the enjoyment of human rights. Cuba already express its gratitude for any support to this Cuban initiative.

Panama is one of three countries in the world with a negative climate contribution and has less contributed to the climate crisis. Yet, it is very vulnerable to its effects, including rising sea levels and the increased frequency of extreme weather phenomena. With this in mind, it is concerning that the financial debts of climate countries for mitigation and adopting FARC exceed the current levels of investment. Panama agrees with the IE in that the climate crisis represents challenges that are deeply tied to debt, to tax systems, and to illicit financial flows. Panama recognises that climate financing must be human rights focused as well as based on gender equality, fairness, transparency, accountability, and common but differentiated responsibilities. To conclude, we must tackle inequalities and the unfairness laden in international financing, such as unilateral discriminatory lists drafted by a clutch of countries and institutions outside of the realm of the United Nations that have a negative impact on the economies of countries listed there by depriving them of critical investments in financing for climate resilience and a fair transition.

Senegal thanks the IE for her report which highlights the overlap between sovereign debt, financing climate action, and the respect for economic, social, and cultural rights. Senegal, through its public policies and its development finance strategy, grants particular importance to sustainable debt management and climate justice. Fully aware of the challenges related to climate resilience and adaptation, Senegal calls for significantly lightening the debt of developing countries, mainly through debt-for-nature swap mechanisms. The mobilisation of innovative resources for the climate transition, while respecting the principle of social inclusion, and improved cooperation to combat illicit financial flows, which deprive countries of financial resources to guarantee the enjoyment of human rights and climate transition. Senegal reiterates its commitment for a fair and inclusive climate transition, calling on the international community to set up specific solutions to shatter the vicious cycle of debt and climate vulnerability.

Thanking the IE for her report, **Cambodia** states that climate change remains a critical challenge requiring urgent and concrete global action at all levels. Cambodia supports the call for action on climate change mitigation and regional adaptation by reaffirming its commitment to the Paris

Agreement, in line with the principle of common but different responsibilities. The National Adaptation Plan in Cambodia was adopted, prioritising the most vulnerable groups, including women, children, and elderly. Other national policy strategies and action plans were put forward, including National Strategy Plan on Green Growth 2013-2030, Cambodia Climate Change Strategy Plan 2014-2023, National Environment Strategy and Action Plan 2016-2023, National Rappler Strategy to build a low-carbon climate-resilient, equitable, sustainable, and knowledge-based society. To promote green finance and environment-friendly investments, National Bank of Cambodia has adopted policies with the Code of Conduct for granting low-risk loans to activities mitigating climate change.

Ethiopia commends the IE for her insightful and comprehensive report, and shares the concerns raised about the significant impact of foreign aid on the ability of states to fulfil their human rights obligations, especially for developing countries. Ethiopia emphasises that external aid burdens and dependency on foreign assistance are significant obstacles to achieving the full realisation of economic, social, and cultural rights. A more equitable global financial system integrating climate finance, debt management, and human rights is essential to meet the SDGs. Ethiopia is concerned about the diminishing global commitment to addressing debt distress and its adverse effects on human rights. Implementation of the SDGs is off track, and without urgent action, the growing debt burden will continue to undermine human rights and development prospects of many nations. In response, Ethiopia has undertaken a series of fiscal and monetary policy measures aimed at reducing the growing debt burden, including establishing debt advisory committee and mid-term debt management strategy to guide the management of new loans and ensure alignment with our national development plans. In conclusion, Ethiopia calls for global cooperation to reform international financial systems, address debt challenges, and enhance climate finance to support vulnerable nations.

Honduras expresses its gratitude to the IE for her report. The current international financial system deepens inequalities and undermines a developing country's ability to guarantee the rights of its population. The report highlights that in 2023, 38% of the public revenue of developing countries was allocated to servicing the debt, which highlights the dire need of setting up mechanisms that would allow for debt restructuring. In 2024, public foreign debt in Honduras exceeded 10 billion US dollars, limiting the possibility for investment in health, education and climate mitigation infrastructure. This challenge is exacerbated by tax evasion and illicit financial flows that reduce resources that could be used for inclusive public policies. Honduras reiterates its support to having progressive tax policies and restructuring sovereign debt and international fiscal cooperation, as well as cooperation for climate financing of vulnerable countries. As the reports outlines, the processes underway in international human rights law and fiscal reform could contribute to fair financing and contribute to sustainable development by reducing debt dependence. Honduras reiterates its commitment for fair financial mechanisms and calls for fair, sustainable development with social justice based on human rights.

The **Bahamas** welcomes the report and endorses the IE's urgent call for systemic financial reform. For too long, developing nations, especially SIDS, have been forced to take on unsustainable debt burdens to recover the impacts of the climate crisis they did not cause. The fiscal impact of hurricanes has been severe and recurring, causing significant damage to their economy and their finances. This leaves SIDS with the difficult choice between making critical investments in climate resilience, healthcare and education, and servicing debt incurred to mitigate the climate crisis. Moreover, only a fraction of the climate finance promised under international commitments has materialised. These are not just economic challenges. They are systemic failures that reinforce cycles of dependency. They undermine the right to development and climate justice and represent challenges to international cooperation and global solidarity. The international financial system must be restructured to account for climate vulnerability in debt assessments, provide accessible grant-based funding, and end unjust and arbitrary blacklisting practises that stifle economic growth and undermine sovereignty.

Tunisia welcomes the report of the IE and its of recommendations to face up to the challenges of financing climate action. In addition to the insistence on the importance of collective but differentiated responsibilities in climate action, given that northern countries have been most responsible for global warming and so that developing countries are no longer carrying the heaviest burden for climate change, we need to further intensify international efforts and solidarity from all stakeholders to put in place sustainable and comprehensive policies on the basis of solidarity, justice and equity without leaving anyone behind. Tunisia agrees with the IE on the urgent need for restructuring the global finance architecture and ensuring that transparency and justice is upheld and that countries fulfil their commitments and to ensure that developing countries have access to resources for development. Tunisia also agrees with the IE on the importance of combating fiscal and financial crime and IFFs at the international level. Tunisia stresses the importance of cooperation by all stakeholders to facilitate the return of stolen assets because these are intrinsic rights of the countries where the assets were stolen from.

Venezuela underlines that climate change is a consequence of the capitalist predatory development model and its work done against the Paris Agreement. In the report, there is part of the principles that have been defended by developing countries, including the principle of common but differentiated responsibilities, the need for developed countries to meet their pledges, as well as technology transfer and capacity- building. Venezuela agrees that one of the largest concerns that developing countries have is that if a significant proportion of the financial flows continue to be types of debt, it could exacerbate the crisis in developing and emerging countries. Lastly, Venezuela has noted in multiple multilateral fora that climate change-related fora should be analysed and discussed under the United Nations Framework Convention on Climate Change and its Paris Agreement. Venezuela believes that the UNHRC is not the right forum to consider technical aspects and to have recommendations in financial and climate areas, especially when there are different development models adapted to each country's specific realities.

The **Gambia** expresses gratitude to the independent expert for her timely report. As an LDC, the Gambia continues to face the challenge of balancing debt sustainability with development priorities. Despite progress in reducing our public debt, high debt servicing costs limit the Gambia's ability to invest in essential services such as education, healthcare, and climate resilience. The current global financial architecture does not adequately reflect the vulnerabilities of developing economies, especially those like the Gambia which bear disproportionate climate and economic burdens despite contributing least to global crisis. The Gambia joins the African Group in emphasising the need for a comprehensive and equitable approach to debt relief, including fair restructuring mechanisms, consensual financing, and innovative solutions such as debt for climate swaps. However, these must be transparent, flexible, and aligned with national development goals, ensuring that debt relief translates into real economic and social progress rather than temporary fiscal adjustments. The Gambia calls on creditors and financial institutions to adopt a fairer debt system that allows countries to invest in development without compromising their economic stability and human rights obligations.

Bolivia believes the world is going through a worldwide crisis that has a disproportionate impact on the most vulnerable communities, those that have contributed the least to emitting greenhouse gases. Deeply committed to a climate justice model, Bolivia believes that the climate resources must be in step with the needs of those that face the greatest risk, and they must be implemented in a way that respects the dignity and the rights of peoples. For Bolivia, it is essential to work towards reforming the worldwide financial system to make it inclusive, transparent, and truly fair. The approaches used by Bolivia under Article 6.8 of the Paris Agreement to confront the climate crisis are an alternative to the trading in environmental functions. Market mechanisms are pushed by large corporations and transnational businesses and do not tackle the root causes of climate change. Bolivia calls on the international community to ensure that climate financing is not just significant, but that it truly addresses and meets the needs of peoples, and that the principle of common but differentiated responsibilities is respected.

Kenya commends the IE's report which highlights the interconnected challenges that face many nations today and provides a crucial framework for understanding the systemic issues hindering our progress towards sustainable development and climate resilience. Kenya, deeply vulnerable to climate change impacts, echoes concerns about inadequate climate finance. The unfulfilled 100 billion pledge and the slow operationalisation of the loss and damage fund hinder Kenya's climate ambitions. These shortcomings exacerbate existing challenges related to food security, water scarcity, and displacement, undermining the human rights of our most vulnerable communities. Kenya is gravely concerned about unsustainable debt burdens which limit its ability to invest in climate adaptation, mitigation, loss and damage, and critical social services. Innovative debt relief mechanisms such as debt cancellations are crucial to free up resources for sustainable development. Kenya is committed to strengthening domestic resource mobilisation through fair taxation and combating illicit financial flows. Believing that international cooperation is essential to address these challenges, Kenya continues to demonstrate leadership in renewable energy and climate smart development. However, inadequate financial resources and systemic challenges constrain its efforts. Therefore, Kenya urges a holistic approach to address the intertwined challenges of climate change, debt, and inequality, ensuring a sustainable and resilient future for all.

Dominica welcomes the timely report of the IE on foreign debt. As a SIDS that has endured two major natural disasters within the past decade, one causing damages and losses equivalent to 224% of GDP and triggering substantial increases in external borrowing, Dominica is acutely aware of the urgent need for debt relief and equitable climate finance. The grim reality for many developing nations like Dominica is that the overwhelming burden of foreign debt exacerbated by climate-induced disasters limits its ability to fully realise national development goals, implement resilient strategies, and ensure the full enjoyment of fundamental human rights of its people. Dominica therefore echoes calls for reforms to the international financial system that address the unique needs and vulnerabilities of nations like Dominica and better support long-term resilience. Without these reforms, vulnerable nations will forever remain trapped in a cycle of disaster and escalating debt without meaningful progress. Dominica also urges developed nations to honour their commitments and match rhetoric with tangible actions that meet the needs of vulnerable nations. A just, equitable global financial system aligned with human rights is essential to ensure that no nation is left behind.

Spain states that decisions in debt management, tax systems, and illicit financial flows all mentioned in the IE'S presentation have a direct impact on the enjoyment of the rights of the citizens and the well-being of societies. Spain is a strong defender of international cooperation to tackle these challenges and contributes to an international financial architecture that would ensure the full enjoyment of human rights. It is well-known that many countries, up to 56, allocate more than 10% of their budget to paying interests to the detriment of education, health, climate financing, and public services. Spain supports fair climate financing, including debt relief funds in case of climate shocks, but not just in those cases, also greater debt transparency and stronger international cooperation to tackle illicit financial flows. Next June in Seville, Spain will host the fourth International Conference on Financing for Development (FfD4), which will have a decisive impact to tackle the challenges of financing in the 2030 agenda with the human rights approach.

India agrees with the IE's assessment on challenges posed by climate change and its linkage with debt, tax systems, and illicit financial flows, all of which significantly impact all human rights, including the right to development. Regrettably, the promises made in respect of climate funds have seldom been kept, and the bottlenecks and bureaucratic challenges have only hindered access to limited funding available. India reiterates that any discussion on climate financing should be demand-driven and follow the principles of climate justice. There is also an urgent need to focus more on adaptation strategies beyond the current focus on climate mitigation. India has taken several steps to mainstream sustainable finance in Indian corporate sector and align Indian companies with international reporting norms. In July 2023, India's concerned regulatory agency included new environmental, social, and government metrics for mandatory disclosure under Business Responsibility and Sustainability Reporting Core for the top 1,000 listed companies in India. India asks to the IE how could the reform of the international financial architecture ensure greater and more meaningful climate finance commitment.

Sudan agrees with the IE on the principle of common but differentiated responsibilities when dealing with climate change, as this allows for increased resilience of developing and least developed countries as they deal with increasing needs with diminishing resources. Servicing the burden of external debt is a big challenge as these countries fulfil their responsibilities. Sudan further agrees on the IE's recommendations relating to debt cancellation for poor countries affected by climate change, thereby reaffirming the human right to a healthy life, supporting the most vulnerable countries, and expanding climate finance initiatives.

Pakistan appreciates the IE's report for spotlighting asymmetries amongst countries and the linkages between climate finance and human rights. It is particularly staggering that developing countries' expenditure on debt servicing far outstrips all climate finance pledges combined, which moreover remain unmet. Not only do such factors complicate conversations around climate finance and debt burdens, they also exacerbate the resource shortages constraining governments' ability to fulfil their human rights obligations. Frequent climate-induced natural disasters turn this already lopsided equation into an increasingly vicious cycle. Economies labouring under the twin burdens of debt and climate change cannot deliver. Capital and its overriding profit motive cannot be expected reasonably to replace or supplant options highlighted in the report. Addressing structural inequities at the centre of the global financial architecture is therefore not only a moral imperative but key to effectively addressing climate change. Emphasising the human rights dimensions of climate change and debt therefore has a clear value in our search for norms that promote all human rights and pursuit of justice.

El Salvador reiterates the need of having an approach that would prioritise sustainable development and social justice. El Salvador acknowledges that the debt burden puts structural limitations on developing countries, limiting their investment capacity in education, health, and social protection, which is why we call for specific debt relief measures which would include fair restructuring and innovative mechanisms that would allow countries to make progress without jeopardising their population's well-being. Along the lines of the report presented, it is essential to ensure that financing strategies respect human rights and promote fair economies. El Salvador urges the international community to strengthen cooperation and to ensure that developing countries have access to financial resources without falling into unsustainable debt cycles. El Salvador reiterates its commitment to a fair and transparent international system which would work with the most vulnerable countries and guarantee the rights of the population.

South Africa states it is unfortunate that in many low-income and developing countries, a large percentage of government revenue is spent on debt servicing. Our view is that climate finance is often expensive and inaccessible for low-income countries that need it the most and inadvertently tends to burden developing countries with a debilitating debt crisis, impacting their ability to combat climate change and provide the desired relief. Debt-financed climate change actions in many developing countries have the potential to exacerbate the already heavy financial burdens, particularly if the funds are utilised for large-scale projects with no immediate returns. For this reason, it is critical that any climate change-related financial assistance take the form of grants and concessional financing rather than loans to avoid exacerbating the developing countries' debt challenges. It is important for international financial institutions to assist developing countries with affordable financing to address climate change. South Africa fully supports the call for concerted efforts to deal with illicit financial flows by strengthening global cooperation, including through transparency initiatives and preparation of illicit funds to countries of origin. In closing, South Africa conquers with the imperative for human rights and climate justice integration.

Views Expressed by Intergovernmental Organizations

The **European Union** emphasises the integration of human rights frameworks into climate laws and policies underlining the need for a human rights-based approach. The EU integrates climate finance into policies driving systemic change ensuring equity and social justice. The EU collaborates with other countries to address a global climate crisis ensuring that financial support is accessible and demonstrates tangible impact to improve lives. The EU endorses the use of climate resilient debt clauses providing essential fiscal flexibility during crisis that allows prioritisation of immediate recovery efforts. Efficient, effective and fair tax systems are essential for financing climate action and development. The EU promotes international cooperation and policy dialogue on illicit financial flows providing technical assistance to partners aligning with international tax transparency standards and championing transparency and accountability in the global financial system. Approaching the fourth Financing for Development Conference, the EU remains committed to ensuring that climate finance contributes effectively to sustainable development and realisation of human rights. The EU asks the IE how to ensure a tangible follow-up on human rights and climate justice integration into financial policies at an international level, given the interconnection between human rights and environmental protection.

Thanks the IE for her comprehensive and insightful report, the **Organisation of Islamic Cooperation (OIC)** stresses that climate change is one of the biggest existential crises of our times. The OIC recognises that effective actions would require enhancement in the means of implementation, particularly climate finance, technology transfer, and capacity building. The principle of climate justice requires the climate action to be consistent with existing human rights obligations and standards. Those who have contributed the least to the causes of climate change unjustly and disproportionately suffer its harms. The potential of Islamic finance has been recognised as a significant driver of climate finance. The Islamic Development Bank, an OIC specialised institution, is committing 35% of its total annual financing to climate adaptation and mitigation initiatives, including the Green Sukuk, an Islamic bond that raises funds exclusively for environmentally friendly projects. In conclusion, the OIC calls for the urgent reform of the international financial architecture to make it equitable and responsive to the financing needs of developing countries. It recommends strong policy actions to secure the immediate return of stolen assets and coherent mechanisms for monitoring illicit financial flows set up under the UN.

Views Expressed by Non-Governmental Organizations

AKAHATÁ, on behalf of the Sexual Rights Initiative, appreciates the report of the IE. Countries in the South are affected by a climate crisis they did not cause and by an unfair financial system. They are battling increasing debt. They are forced to ask for even more money, oftentimes just to pay already existing debt, with austerity measures imposed by the IMF and the World Bank, including cuts on public expenditure and the privatisation of essential services that have disproportionate impact on women, marginalised communities, children, and older persons. Challenges mentioned in the report such as parity and financial disparities across the world, the overlap between financial flows and debt, the inefficiency of climate funds, the lack of accountability, and the vicious cycle of debt swap, have been criticised for years. Now, the capitalist neoliberal governments of the far right are calling for a political ideological framework that is leading us to a climate, environmental, and human rights catastrophe. If the UNHRC or other multilateral bodies and countries in the Global North continue to ignore this fact, delaying urgent actions, then any attempt to settle this situation will be just mere fancy.

Associazione Comunità Papa Giovanni XXIII (APG XXIII) thanks the IE for a report decoding the complex landscape of climate finance and underlined a debt-climate human rights nexus. Foreign debt and ecological debt are two sides of the same coin, reminded Pope Francis. Addressing the structural inequities preventing the current development model and rebalancing the unfair burden-sharing of debt and climate crisis requires to put debt in a wider perspective, inter alia by recognising the ecological debt and aid debt owed to development countries and relieving unsustainable debt, including to its extensive cancellation and the multilateral UN-based mechanism for debt restructuring. As suggested in the report, global discussions on climate finance should be refocused on human rights and vulnerable people's needs, prioritising accountable and participatory approaches, delivering pledged and concessional financing, and moving away from profit-driven and market-based solutions that exacerbate debt distress and climate vulnerability. A more just and effective climate finance needs to be framed within systemic reforms of the financial debt and fiscal architecture, based on equity and solidarity, ensuring fiscal space for sustainable development and climate resilience planning.

Make Mothers Matter welcomes this important yet sobering report and fully supports its recommendations. However, it emphasises the need to integrate a gender perspective across all the interconnected issues highlighted in the report. The climate and debt crisis both disproportionately impact women, particularly by increasing their already disproportionate share of unpaid care work. In addition, inadequate taxation systems and illicit financial flows both significantly undermine the government's ability to invest in social protection, public infrastructure and essential services, all of which are crucial to support women with caregiving responsibilities, especially mothers. To achieve meaningful and sustainable progress, governments must adopt a gender and care responsive approach to policymaking, including in climate mitigation and adaptation strategies. A just transition must place care at its centre to ensure that women and the children they care for benefit equitably. Moreover, systemic transformation is urgently needed to address the root causes of climate change and economic inequality. It is time to move away from an economic model fixated on GDP growth and short-term profits for a few, one that disregards environmental destruction and devalues unpaid care work. Instead, we must reshape our economies to prioritise human rights, the well-being of people and the planet, and the sustainability of life itself. This requires recognising and redistributing unpaid care work and support.

Friends World Committee for Consultation, Quakers and Soka Gakkai International extend their gratitude to the IE for her report and appreciate her analysis exploring links between the climate crisis and unjust financial systems that perpetuate inequality. They highlight the report's finding that some 3.3 billion people now live in countries that spend more on debt interest payments than on education or health. The IE's focus on debt cancellation reflects a tradition practised by a number of world religions. Debt forgiveness enables the most vulnerable countries to provide the human right to education and health and to help find climate adaptation, mitigation and address loss and damage. Sufficient finance exists. Building a progressive tax system, in particular on wealth, is critical for equitably accessing revenue. In addition, while countries beg for climate finance, global military spending totalled over $2.4 trillion in 2023. Instead of funding its own destruction, what really makes humanity safe? Shifting funds away from militarism and toward debt relief opens financing to uphold human rights and protect the environment.

The **International Institute for Human Rights (IIHR)** highlights that Sudan is carrying one of the heaviest debt burdens in Africa and facing the most serious humanitarian crisis in the world. The situation is exacerbated by the suspension of international aid and the drop in gold exports. In this context, the role of the UAE is of concern. Even though their investments in agriculture, gold and infrastructures are considerable, these investments often take the form of partnerships or loans which increase the debt and strengthen the economic dependence of Sudan. The appropriation of over 200,000 hectares of land to satisfy the Emirati needs illustrate a form of resource grab. More alarming is the assistance to the rapid support forces through the financing of their weapons and gold extraction. A large part of this gold is illegally exported to Dubai, escaping the tax oversight of the countries and depriving the country of its income. This support has intensified the conflict, leading to hundreds of thousands of casualties and impeding the highly indebted poor country initiative, depriving the country of economic relief. Therefore, IIHR calls on the IE to investigate the impact of financial policies of the UAE on the conflict and the economy in Sudan and strengthen transparency and responsibility measures in terms of debt.

International-Lawyers.org stresses that wealthy nations, which have historically contributed the most to this crisis, must honour their legal obligations, not with more loans that push developing countries deeper into debt, but with new and additional grants that allow true climate action. Internationallawyers.org joins the call of the majority of Member States of the United Nations and the IE for at least $5 trillion annually in grants, debt cancellation, and technology transfers to support developing states. It is not charity. It is climate justice. Every year, developing countries pay billions in debt while receiving only a fraction of promised climate finance. This is unsustainable and unjust. Global financial systems must be reformed to ensure a fairer tax system, transparency and financial flows, and an end to the illicit financial drains that rob developing countries of their resources. Developed states must step up without delay, without excuses, because our shared future depends on it.

The **National Union of Jurists of Cuba**, representing the over 17,000 legal professionals of the Cuban Union of Jurists, points out that foreign debt continues to be a significant obstacle to the sustainability of Cuba, limiting its ability to guarantee economic, social, and cultural rights of its people. In April 2024, at the visit of the IE, she saw firsthand how the weight of the debt, exacerbated by UCMs, undermines the country's efforts to attain its development goals. In February 2025, a group of UN experts agreed in expressing their concern over the US decision to continue to put Cuba in the list of countries sponsoring terrorism. Figuring in this list is unjustified, and it perpetuates the embargo that affects the Cuban people. The UNHRC must insist that UCMs, including the embargo, are a violation of human rights. The Union calls on the UNHRC to urge the United States to withdraw these measures and to work towards a constructive dialogue that would allow Cuba to overcome its economic challenges and to move towards attaining the SDGs. Lifting the embargo is not just a matter of justice, but also a needed step towards peace and international cooperation.

Earthjustice and FIAN thank the IE for her report highlighting how climate finance is an essential component for fulfilling international human rights obligations by providing the necessary resources to alleviate the adverse effects of climate change, particularly for those in vulnerable situations. As natural disasters escalate, governments of countries who often contributed the least to climate change are forced to borrow to recover and rebuild, exacerbating the vicious cycle of debt accumulation and climate vulnerability. Debt servicing then takes up a significant portion of public revenues, limiting the ability to finance critical expenditures for climate change mitigation and adaptation. This includes the funding and survey for just transition, such as supporting peasants transitioning to agroecology and covering potential costs related to redistributive agrarian reforms, which are key to addressing the growing concentration of land ownership and the reduction of arable land due to climate change. To effectively address the impacts of the triple planetary crisis and ensure a just transition, countries need the fiscal space to invest in these areas. This requires debt consolation for states that have lost their fiscal capacity, along with strong regulation to curb illicit financial flows, draining national budgets, and the taxation of major polluters and global landowners contributing to the climate crisis.

The **Centre for International Environment Law (CIEL)** welcomes the IE's report on understanding the landscape of climate finance, debt, tax, and illicit financial flows and human rights. Human rights obligations are integral to effective and just climate finance for mitigation, adaptation, and loss and damage. Yet, existing climate finance mechanisms are not rooted in human rights standards and principles. States with a high cumulative responsibility for the climate crisis also continue to evade the obligation to provide finance. Current climate finance is too low, debt-creating, and disproportionately focused on mitigation. Only a small percentage of funding goes directly to communities and Indigenous peoples. Mobilising the private sector to close the finance gap is proving ineffective, as are false solutions such as carbon markets, which are not climate finance and come with a range of human rights concerns. People harmed by the climate crisis have a right to remedy, including full reparation under public, international, and human rights law. Critically, such remedy and reparation can encompass debt justice. A shift is needed to move away from voluntary and debt-inducing climate finance towards real human rights-based and gender-responsive solutions at the scale of needs. The upcoming advisory opinion on states' obligations on climate change and human rights mechanisms have an important role to play in elaborating on the interlinkages between human rights, climate reparations, and debt justice, proposing concrete ways forward.

Centro de Estudios Legales y Sociales (CELS) and Space for Equality are concerned by the fact that the Argentine state and the IMF are negotiating a new debt agreement. This agreement would be on top of the debts from 2018, the highest amount granted by this body in its whole history, which is still in force. The Argentine regulatory framework sets out that any finance agreement agreed to with the IMF must be approved by the legislative. Given the difficulty in gathering that support in Congress six days ago, the Government announced that it would approve the agreement through an urgent need agreement or decree. This Government has already showed the unconstitutional use of this tool, which ought to be resorted to only under exceptional circumstances that prevent the usual process of law. This is not the case now. Congress is fully operational. Signing a new agreement is a political decision that will have an impact on the majority of the population for many generations. The IMF, as a body under the UN umbrella, cannot be a party to an agreement whose terms are approved by a violation of the Constitution. CELS requests that the IE follows up particularly on the Argentine situation as an emblematic international case of the impact of debt. CELS continues to uphold that the terms of agreements among international financing institutions and states cannot be incompatible with the human rights obligations of the latter.

FACTS & FIGURES ON ID PARTICIPATION

49 State Delegations

2 Inter-Governmental Organizations

10 Non-Governmental Organizations