

Inputs HLPF 2024

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Background information:

- 2024 HLPF theme: *“Reinforcing the 2030 Agenda and eradicating poverty in times of multiple crises: the effective delivery of sustainable, resilient and innovative solutions”*
- Goals to be reviewed:
 - Goal 1. End poverty in all its forms everywhere;
 - Goal 2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture;
 - Goal 13. Take urgent action to combat climate change and its impacts;
 - Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels; and
 - Goal 17. Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development.
- The 2024 HLPF will be the first meeting of the forum after the SDG Summit held in September 2023. The forum will support the implementation of the Political Declaration and other outcomes of the SDG Summit for advancing the 2030 Agenda and the SDGs. It will result in a negotiated Ministerial Declaration.

TED’s Inputs:

1. Impacts of multiple crises on the implementation of SDGs 1, 2, 13, 16 and 17 from the vantage point of your intergovernmental body.

- The global trade and climate policy regimes are increasingly interconnected. However, this growing interconnectedness has not been accompanied by effective policy coordination among decision makers in the climate and trade domains both within and across countries. Trade-related climate measures by some countries, such as industrial policies, carbon pricing, and related border adjustments, are increasingly affecting trade and investment, potentially severely impacting developing countries and their achievement of their SDGs.
- More countries, developed and developing, are committed to transforming their production to reduce carbon footprints as global concern over the planetary crisis increases. In consequence, the market for environmental goods has been expanding rapidly. In 2022, international trade in environmental goods reached an unprecedented level of almost \$2 trillion (or 6 per cent of world trade), an increase of more than \$100 billion from the previous year. Significantly, trade in environmental goods continued to increase despite the global trade slowdown in the second half of 2022.¹
- The global spotlight on the energy transition has underlined the critical role of minerals. Many developing countries, particularly those with critical energy transition mineral resources, have enormous potential to participate in renewable energy technologies’ supply chains through local

¹ See [SG Report on International Trade and Development A/78/230](#)

value addition.² This contributes to structural transformation, generates more revenues through employment creation, higher tax revenues and export earnings, and reduces volatility of export revenues.

2. Three key areas where sustainable, resilient, and innovative solutions for achieving the SDGs are being effectively delivered, especially related to the cluster of SDGs under review in 2024, bearing in mind the three dimensions of sustainable development and the interlinkages across the Goals and targets.

SDG17:

- UNCTAD, in partnership with the International Chamber of Commerce (ICC), the International Trade Centre (ITC) and the World Trade Organization (WTO), hosted the “[Trade House Pavilion](#)” at the 28th UN climate change conference (COP28) to change the narrative and advance consensus on trade-related measures that can help drive both climate and sustainable development actions. The Trade House showcased how trade-led development can bolster climate action using coordinated and inclusive approaches to accelerate a global just transition to a low-carbon economy. It also offered a platform for knowledge exchange and co-creation of pro-development solutions among stakeholders from across the globe.
- UNCTAD also contributed to the [COP28 Trade Day](#) on 4 December 2023, in cooperation with the COP28 Presidency, WTO and other partners. COP28 was the first time the climate summit dedicated an entire day to discussions on trade’s role in climate action.

3. Three examples of specific actions, policies and measures that are most urgently needed to effectively deliver sustainable, resilient, and innovative solutions to eradicate poverty and reinforce the 2030 Agenda, building on interlinkages and transformative pathways for achieving the SDGs.

a) There is an urgent need for coherent policies that minimize trade-offs and maximize synergies among the climate and other SDGs to ensure a green and just transition, where developing countries can capture green development opportunities.

- Developing countries must align their development, trade, and climate change policies to capture co-benefits, including adaptation benefits, while minimizing trade-offs between the climate imperative and the Sustainable Development Goals.
- For instance, minerals critical for the energy transition are often the same needed for the digitalization of the economy. Coherence is needed to ensure an orderly twin green and digital transition, while also ensuring developing countries, home to most of these minerals, can use this opportunity to break free of their commodity dependence while ensuring extraction is done with respect of people and the planet.
- UNCTAD with partners propose to use the [Climate Transition Impact Framework \(C-TIF\)](#) forward-looking approach to compare the potential socioeconomic impacts of different climate action pathways and contribute to policy coherence (see input below on follow-up actions and measures) in a few pilot countries in 2024 and launch the report at COP29.

b) Implement new economic models which can advance the three dimensions of sustainable development.

² See UNCTAD (2023). [Technical Note on Critical Minerals: Supply chains, trade flows and value addition](#)

- Achieving the SDGs and a just transition require new economic models that advance all three dimensions of sustainable development, or at least do not regress on any. Several models advance both the social and economic dimensions at the same time, such as the social and solidarity economy recognized by the UN general Assembly in its resolution [“Promoting the Social and Solidarity Economy for Sustainable development” \(A/77/L.60\)](#), the care or purple economy, the frugal innovation economy, and the attention economy (yellow). Other models advance the economic and environmental dimensions such as: the blue (ocean), green (environmental), and circular economies.³
 - Combining economic models that advance the social and economic dimensions with those that advance the environmental and economic dimensions allows countries to maximize synergies and minimize trade-offs among the goals, including climate goals, and thus the cost of achieving the transitions to decarbonized and sustainable economies for all. These economic models require supporting micro, meso, and macro policies and aligned trade and financial systems.
- c) Increase international technology cooperation and collaboration, including South-South cooperation.**
- Achieving SDG13 will require access to appropriate technology at affordable prices as well as the work force skill set to deploy and maintain it. To achieve net zero and remain within 1.5C the right technology is needed at the right place. One way to do so, is to identify in NDCs 2.0 what technologies are needed to implement the contributions. International cooperation is key to secure access and funds to deploy, locally adapt and develop technologies that contribute to decarbonisation and green economic transformation, including through better aligned Aid for Trade.
 - Furthermore, South-South cooperation and trade can contribute to accelerate decarbonization, poverty eradication and sustainable development. Most developing countries, especially those with small economies, lack the capacity to produce their own complete renewable energy systems, and the size of their domestic markets for renewable energy systems is limited.
 - South-South trade may allow developing countries to collaboratively establish low-carbon technologies and renewable energy system value chains. In these collaborative models, participating countries could add value at different stages of the value chains while benefiting from high demand for these products in their aggregated collective market.
 - However, just as in major developed countries, South-South partners need to create a favourable market for investment in production through coordinated investment, trade, and industrial policies.

4. Follow-up actions and measures being undertaken by your intergovernmental body or forum to support implementation of the Political Declaration of the SDG Summit.

³ The UN Network of Economists has produced policy briefs for each of these New Economics for Sustainable Development model (NESD). NESD is not a “one economic solution fit for all” but rather offer a toolbox with different entry points depending on priorities, capital and natural endowment and institutional and economic level of development of countries where they are applied. By combining economic models that advance the social and economic dimensions with those that advance the environmental and economic dimensions, we maximize synergies and minimize trade-offs among the goals, including climate goals, and thus the cost of achieving the transitions to decarbonized and sustainable economies for all.

Mapping of trade-related measures in Nationally Determined Contributions (NDCs)

- Trade, investment, and green development policies can be powerful tools to accelerate the implementation of climate goals and the just transition towards net zero. Trade can facilitate access to environmentally preferable goods and services, technologies, and know-how critical to boosting innovation and building capabilities to support adaptation and mitigation efforts in countries. Trade-related measures such as tariffs, market-based mechanisms, subsidies, and technical regulations can facilitate energy transition, enhance the market for carbon-efficient products, and facilitate phasing out unsustainable economic activities. At the same time, trade response measures can also lead to adverse outcomes, such as reducing countries' competitiveness in affected sectors, particularly in developing countries.
- In 2023 UNCTAD undertook a [mapping of trade-related measures in NDCs](#) to increase the understanding of whether and how trade-related measures are integrated into national climate plans and how trade policy can support climate goals. Analysing trade-related climate measures can help countries align their policy design.
- Building on the mapping findings, UNCTAD is working on designing a framework to support countries in fully capturing trade policy potential for their NDCs 2.0. UNCTAD plans to pilot the framework in selected developing countries in late 2024.
- An ad hoc meeting will be held with the Trade and Development Board to advance consensus on the issue.

Climate Transition Impact Framework (C-TIF)

- UNCTAD, in collaboration with partners propose to use the [Climate Transition Impact Framework \(C-TIF\)](#) forward-looking approach to compare the potential socioeconomic impacts of different climate action pathways. The Framework would allow Parties to increase the understanding of the national socioeconomic impacts of climate action pathways to delineate the trade-offs and synergies that decision makers should consider in the design of response measures. It aims to equip climate action policy makers with a holistic quantitative fact base of the transition's impacts on people. The Framework considers an initial list of 50 metrics across five dimensions: affordable energy access, investment requirement, jobs impact, growth and competitiveness, and lived environment and health. During 2024 and in collaboration with partners, UNCTAD plans to pilot the Framework in five countries from around the world. The model and data will be improved in the process and the results published at COP29. We hope the Framework can then be rolled out to all developing countries on a demand basis.

5. Recommendations and key messages for inclusion into the Ministerial Declaration of the 2024 HLPF.

- Trade-related climate measures by some developed countries, such as industrial policies, carbon pricing, and related border adjustments, are increasingly affecting trade and investment. They can have positive spillover effect such as encouraging other countries to put in place policies to curb climate emissions. However, it can also have negative spillover effect that severely impact developing countries and their achievement of their SDGs. Developing countries need to be

reassured that they will get the necessary support so they can equally benefit from industrial policy levers to orient and guide their just transitions in line with their Nationally Determined Contributions (NDCs).

- Developing countries need expanded policy space and affordable and suitable renewable technologies to ensure an inclusive and greener industrialization.
- Strengthening developing countries' green value chains with export potential is one of the approaches that developing countries can consider enhancing adaptation and climate resilience at the national and international levels. These value chains can potentially enhance climate change adaptation efforts and economic diversification and can contribute to achieve the SDGs.
- Countries in or near debt distress need relief to be able to invest in their adaptation and mitigation measures.
- Leverage South-South trade and regional integration as a vehicle for green industrialisation. South-South trade may allow developing countries to collaboratively establish low-carbon technologies and renewable energy system value chains. In these collaborative models, participating countries could add value at different stages of the value chains while benefiting from high demand for these products in their aggregated collective market.

There is an option to send supplementary documents and reports, as appropriate, to the HLPF Secretariat (e-mail: wang24@un.org; vaturi@un.org; copy_bekelee@un.org; winta.abay@un.org; cruz@un.org).

[Mapping of trade-related measures in NDCs](#)