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**ACUNS Annual Meeting 2024**  
**Global Policy Dialogue on Advancing Human Security through a**  
**New Global Economic Governance Architecture**  
*20-21 June 2024*

**SUMMARY REPORT**



*Co-Sponsors: Global Governance Innovation Network, Academic Council on the UN System, UN University Center for Policy Research, Leiden University, the Climate Governance Commission, Center for the Study of UN at O.P. Jindal Global University, Global Challenges Foundation, and the Stimson Center*



As an integral part of the Annual Meeting of the Academic Council on the UN System on “**Global Governance and Sustainable Development: Revitalizing Research to Support Multilateral Solutions**,” from 20-22 June 2024 at the UN University in Tokyo, four Global Policy Dialogue (GPD) sessions were undertaken on the theme of “**Advancing Human Security through a New Global Economic Governance Architecture**” with the following objectives:

- To convene leading policy researchers, practitioners, and advocates to debate and recommend specific global institutional, policy, legal, normative, and operational innovations that could inform the agenda—and help to raise the ambition—of the September 2024 Summit of the Future.
- To make targeted recommendations for mobilizing support and operationalizing the Bridgetown Initiative for the Reform of the Global Financial Architecture and related ideas introduced in the UN Secretary-General’s *Our Common Agenda* and commissioned High-Level Advisory Board on Effective Multilateralism reports, as well as his International Financial Architecture Reforms policy brief.
- To expand the knowledge base for more capable global institutions to better cope with existing and emerging global economic challenges and to create new opportunities through effective global action, including with scholars, policy researchers and advocates, and the private sector.

The GPD was organized into three thematic “breakthrough” groups (i. UN system-G20 Global Economic Coordination and Financing for Development; ii. Repurposing the Bretton Woods Institutions; and iii. Governing Global Trade) that sought to address:

- How can global economic governance reforms introduced at September's Summit of the Future contribute to achieving human security and the 2030 Agenda on Sustainable Development?
- What are the most urgent needs concerning global economic coordination and financing for development involving the UN system (including IFIs), WTO, and G20?
- What are 1-2 policy and institutional reform proposals (that could be enhanced within current Summit of the Future negotiating texts on the Pact for the Future, Global Digital Compact, and Declaration on Future Generations), and 1-2 more beyond the summit's current agenda, that can help the UN, World Bank, IMF, WTO, and G20 to better advance global development, economic stability, and environmental sustainability?

## **UN System-G20 Global Economic Coordination and Financing for Development**

**Co-Chairs:** **Dr. Richard Ponzio**, Stimson Center and **Dr. Alanna O'Malley**, Leiden University

**Lead-Off Speakers:** **Dr. Sukehiro Hasegawa**, Kyoto Peacebuilding Center and ACUNS Tokyo Liaison Office, Distinguished Professor, Kyoto University of the Arts; **Dr. Vesselin Popovski**, O.P. Jindal Global University; **Dr. Joris Larik**, Leiden University; and **Dr. Diego Salama**, University of Leiden and Global Governance Journal (Spokesperson).

### **Overview:**

This first session highlighted the challenges facing the United Nations and broader global economic and financial architecture in rebuilding trust and delivering on promises to address current global issues. The need for reforms to increase legitimacy, inclusion, and effectiveness of global governance institutions was underscored by multiple participants. The lack of trust under the current geopolitical climate decreases perceived legitimacy of international policy fora, and while the G20 is seen as potentially more effective than other multilateral bodies, there are concerns about its accountability and representation of Global South priorities. Additionally, participants pointed out the high bar for serious reform (including of the UN Charter and Security Council) and the plethora of complex integrated economic challenges, including the effects of runaway climate change on developing economies. Experts concluded that rebuilding trust, to enable the effective use of global governance institutions, requires a multistakeholder approach. There is a need for more inclusive, transparent, and accountable global governance to address pressing transnational challenges effectively.

### **Challenges:**

Bridging the disconnect between representative and inclusive UN processes and the centers of power in the global economy emerged as a critical overarching challenge. Drilling down on this theme, participants highlighted the following:

- While the many severe socioeconomic knock-on effects of COVID-19 have receded, the world is not coming together as anticipated when the UN's *Our Common Agenda* was written in 2001, with continued levels of anxiety among people worldwide translating into continued distrust and frustration with governing institutions.

- Great Power tensions and ongoing conflicts present a challenge for both economic coordination and the prioritization of development (over, in particular, military) expenditure.
- Lack of accountability and whether institutions like the G20 truly represent the interests of the Global South and middle income countries.
- There is a real disconnect between private sector funding capacity and the ability of the public sector to fund priority development needs worldwide. This investment incentive alignment problem is a crucial challenge that must be overcome, including by enabling blended finance to help to bridge the financing gap.
- Stakeholders are not committing sufficient resources and funding to address global challenges like climate change, with, for instance, the recently established loss and damage fund receiving only \$700 million compared to the \$7 trillion invested in fossil fuels.

### **Recommendations:**

Having defined the challenges above, participants of the *UN System-G20 Global Economic Coordination and Financing for Development* Global Policy Dialogue session put forward the following main recommendations:

- **Promote Enhanced G20 and UN Cooperation:** Establish a Biennial UN-G20+ Summit on the Global Economy (Biennial Summit) consisting of world leaders from the G20, General Assembly, and heads of the UN, World Bank, IMF, WTO, and ILO, as well as a mechanism for engaging regional organizations. Convened every two years at the start of UNGA High-Level Week, this new forum would bring greater coherence and coordination within the global economic governance system and help to better address the global polycrisis. Include Heads of State, the UN Secretary-General, WTO Director-General, and OECD Head. This new Biennial Summit would be supported by a cost-neutral “networked secretariat” led by the Deputy UN Secretary-General and involving senior staff from the above institutions, to ensure continuous collaboration among all relevant actors and to enhance the legitimacy of this new forum.
- **Mobilize New Resources and Oversight Mechanisms:** To promote innovative financing for development, the group discussed introducing creative international taxation measures, such as the Tobin Tax and a small tax on international plane tickets, to mobilize new public and private financial resources for development initiatives. This could provide a bigger boost in resources for organizations servicing South-South and triangular cooperation across the Global South, including UNITAR, UNDP and the South Center. Participants also considered establishing new oversight mechanisms to ensure transparency and accountability in the use of new development funds mobilized, thereby fostering greater trust and effectiveness in financing for development efforts.
- **Integrate Regional Organizations and Development Banks:** To foster enhanced coordination and collaboration in economic governance and development cooperation, the group advocated bringing regional organizations and regional development banks closer to global multilateral economic institutions to improve debt management and funding for global public goods. Regional bodies have the capacity to play a more formal role in global economic governance, helping to increase legitimacy, inclusion, and effectiveness in international

decision-making. Participants also called for establishing a coordination mechanism to better align the efforts of all these actors, ensuring more cohesive and efficient collaboration.

- **Establish a Global Environment Agency (GEA):** The group discussed the need for a Global Environment Agency to fully overhaul and expand the existing authorities of the United Nations Environment Programme. This agency would serve as a central authority with decision-making powers to address ecological risks that national levels of governance are unable or unwilling to manage. Specifically, the GEA could be tasked with five core functions: i. knowledge provision, ii. deliberative and legislative action, iii. implementation facilitation, iv. trust and justice building, and v. policy learning and adaptation.

These proposals aim to enhance global environmental governance, foster new innovative financing mechanisms, improve coordination between regional and global institutions, and establish robust oversight mechanisms to better address present development challenges and the climate emergency. The implementation of these initiatives would contribute significantly to achieving a sustainable and just global future.

## **Repurposing the Bretton Woods Institutions**

**Co-Chairs: Maja Groff Esq.**, Global Governance Forum and Climate Governance Commission and **Dr. Sumie Nakaya**, Hitotsubashi University

**Lead-Off Speakers: Dr. Alice Odingo**, University of Nairobi and Vice-President of ACUNS; **Dr. R. Sudarshan**, Dean of Jindal School of Government and Public Policy; **Dr. Augusto Lopez-Claros**, Global Governance Forum and former senior World Bank and IMF official; **Dr. David Passarelli**, United Nations University Centre for Policy Research; and **Dr. Aigul Kulnazarova**, Tama University and ACUNS Board Member (Spokesperson).

### **Overview:**

This discussion highlighted the growing importance and relevance of current challenges, including increasing complexity of governing the global commons. It further noted increased momentum and discussions within the international community regarding the reform of the Bretton Woods Institutions. Key points included a focus on teasing out recommendations within the Bridgetown Initiative on International Financial Architecture Reform of the Prime Minister of Barbados, Mia Mottley, as well as the relevance of documents such as the Summit of the Future's Pact for the Future, the Declaration on Future Generations, and the Global Digital Compact, which also speak to World Bank and IMF reform. The main questions participants addressed were: i. how do we make the Bretton Woods Institutions fit for purpose in the 21st century, and ii. how do we manage planetary boundaries and their associated climate and ecological issues? Participants identified the main challenges and brought major specific and tailored recommendations that would contribute to efficient reform of the Bretton Woods Institutions.

## Challenges:

Participants noted that adverse impacts of climate change and environmental issues, historical exclusion of Global South countries during the establishment of the Bretton Woods Institutions, challenges in institutional accountability and representation, as well as in global economic governance, and the lack of human rights considerations create an urgent need for Bretton Woods system reform. Specific challenges identified by participants included:

- The planetary crisis is causing poverty, premature deaths, forced migration, and conflicts, particularly in small island and developing states and lower income, vulnerable countries. Subsequently, greenhouse gas emissions severely affect vulnerable communities, leading to increased poverty and dire living conditions preventing countries from meeting their SDG obligations, often even backtracking on progress.
- The establishment of the Bretton Woods Institutions excluded the interests of Global South countries, which to this day leads to a lack of representation and consideration of the historical context and challenges existing in these countries. As a result, the overrepresentation of smaller regions like the EU and the underrepresentation of larger nations create regional disparities.
- The Bretton Woods Institutions operate with little accountability toward the more representative United Nations, and show even less accountability in the context of environmental governance, including vis-a-vis the Paris Climate Agreement.
- The Bretton Woods Institutions have lost their primary role in bringing stability to the global economy, alongside monitoring global developments in order to predict financial crises. Instead, they are more focused on national-level development issues, neglecting their role in addressing global challenges.
- Human rights, particularly the impact on the most vulnerable, are often disregarded in financing for development and climate change negotiations, where no legal references to human rights are incorporated into official negotiating documents.

## Recommendations:

Participants in the *Repurposing the Bretton Woods Institutions* session considered the merits of shifting the institutions in the following ways:

- **Prioritize Accountability in the World Bank and IMF:** Participants advocated focusing the governance of core functions of the Bretton Woods Institutions on accountability. Specifically, they called for promoting enhanced accountability mechanisms within these institutions to align with global environmental governance standards and to ensure transparency in decision-making. They further recommended establishing accountability standards that include greater representation of UN Member States within the Bretton Woods Institutions.
- **Improve Bretton Woods Institutions' Governance and Focus:** The group advocated reforms to the World Bank and IMF's governance structure, and ways to strengthen the World Bank's contribution to global public goods and the IMF's ability to maintain stability in the global financial system. The practice of having the U.S. nominee as the head of the World Bank and a European leader for the IMF needs to be revisited. Both leadership positions should be open to a global pool of qualified candidates. The World Bank must focus more on the delivery of global public goods, whereas the IMF's *raison d'être* must be on maintaining stability in the global financial system (and, consequently, given the requisite tools to fulfill this core mission).

- **Elevate the Environment:** The group considered ways to establish environmental policy concerns as a new fourth pillar within the UN system, including the Bretton Woods Institutions. The UN Environment Programme should be strengthened to play an advisory role in the Bretton Woods Institutions, including in the area of green financing. It should be engaged in the process of: i. creating new financial instruments, such as converting Special Drawing Rights (SDRs) into new kinds of climate finance tools; ii. mobilizing private finance, iii. promoting the green energy transition, and iv. introducing debt relief to foster fiscal development in countries, thereby enabling them to address all three main pillars of climate action: mitigation, adaptation, and loss and damage.
- **Expand Environmental-Economic Linkages:** Participants advocated ways to strengthen the links between global environmental concerns and the economy as fundamental justice issues central to global economic policy. To underscore the importance of environmental concern to the global economy, it is essential to reflect their myriad connections in international legal documents, resolutions, policy agreements, and recommendations. Strengthening the link between justice, environmental policy, and the global economy can be further achieved by establishing a new UN Environmental Court of Justice. This court would prosecute individuals and entities responsible for environmental ecocide and related crimes, thereby enhancing accountability and commitment within the International Financial Architecture concerning environmental policies.

In order to effectively implement these recommendations, participants considered key areas and processes for advocacy, including: i. effective coalition-building; ii. solidarity in conversations on steps toward a UN Tax Convention and improved debt relief; iii. utilizing various platforms to support processes such as V20 (a group of 68 countries for better representation and voice in shaping Bretton Woods Institutions' decision-making); and iv. strengthening the Bretton Woods committee working groups to address financial architecture fragmentation and to integrate conceptual and ecological conversations into the work of UN General Assembly and global public finance policy fora, promoting more representation and inclusion of Global South voices.

## Governing Global Trade

**Co-Chairs:** **Dr. Edna Ramirez Robles**, University of Guadalajara School of Law and **Nudhara Yusuf**, Stimson Center.

**Lead-Off Speakers:** **Stephen Browne**, University of Geneva; **Ambassador Stefán Haukur Jóhannesson**, Embassy of Iceland to Japan; **Dr. Kingsley Moghalu**, Institute for Governance and Economic Transformation and ACUNS Board Member; and **Dr. Sumie Nakaya**, Hitotsubashi University (Spokesperson).

### Overview:

Discussants and participants focused on the need to update global trade governance to address current issues and promote fair growth. It was emphasized that reform fatigue produced by examining trade concepts must be counterbalanced by a commitment to pursue substantive changes that yield tangible

results. Participants stressed the prospect for a renewed focus on the World Trade Organization (WTO), which might enable conversations on a variety of issues, including environmental sustainability, subsidies, and inclusiveness. Debate was strong on whether global trade was headed toward unilateral trade, and whether anything should be done about this. Discussion concluded that despite myriad known challenges, the WTO may be our only legitimate tool to help solve global trade issues and promote equitable development by: i. ensuring that trade regulations are consistent with UN goals, and ii. increasing the participation of women and developing-country enterprises.

### **Challenges:**

- **Unilateral Trade Action:** Participants emphasized the disruptions created by governments imposing unilateral tariffs, which undermine confidence among trading partners. These activities undercut multilateral efforts and lead to an unstable trading environment. As countries pursue their own (beggar-thy-neighbor) policies, it becomes increasingly difficult to maintain a unified global trading system. This fragmentation impedes collective growth and exacerbates international economic conflicts.
- **Subsidies:** The discussion highlighted that large economies' subsidies disrupt global markets and unfairly penalize poorer nations. These subsidies frequently benefit nonrenewable energy sources, aggravating economic and environmental disparities. Subsidies, which benefit specific businesses, can cause severe market imbalances that impede fair competition. The continued presence of such subsidies hinders efforts to foster a fair global trade environment.
- **Multilateralism's Decline:** The tendency of countries avoiding or disregarding the WTO undermines the international trading system. The decrease in multilateralism results in fragmented trade practices and less global collaboration. When nations choose bilateral or regional agreements over multilateral ones, global trade governance becomes less effective. This trend away from multilateralism jeopardizes international commercial cooperation.
- **Challenges in Dispute Settlement:** The WTO's dispute settlement system has considerable obstacles, principally due to poor enforcement tools that undermine trust in its ability to manage conflicts. The apparent absence of rule of law in international commerce is especially troubling for smaller states, emphasizing the critical need for a better and more dependable adjudication mechanism. Addressing these issues is crucial to preserving trust and stability in the global trading system.
- **Transparency:** The absence of openness in trade agreements, particularly with major actors such as China, causes uncertainty and weakens confidence. Without transparency, it is impossible to hold countries responsible for their trade promises. This lack of transparency remains a hurdle to building mutual confidence in international trade.

### **Recommendations:**

Reflecting upon the above challenges, participants of the *Governing Global trade* Global Policy Dialogue session made the following chief recommendations:

- **Strengthen Global Trade Collaboration with the UN SDGs:** The WTO may leverage the UN Secretary-General's *Our Common Agenda* report to help establish a more equitable and sustainable global trading environment. This partnership has the potential to broaden the WTO's network of partners by including more comprehensive viewpoints on economic

development and environmental sustainability. By closely coordinating their efforts, the WTO and the UN can solve global concerns and promote a more robust international trading system.

- **Prioritize Inclusivity and Engagement:** The WTO should prioritize inclusivity by actively engaging with companies and civil society. This strategy will ensure that varied perspectives are heard and that trade policies represent a wide variety of interests and demands. Facilitating participation by women and marginalized groups, particularly from developing nations, will contribute to a more equal global trade landscape. Engaging civil society may help improve openness and accountability in trade talks. Within this area, participants also stressed the need to better define what constitutes a developed and developing country, so that we can better increase support for developing countries without worrying about market hegemony taking advantage of less developed economies.
- **Enhance the WTO's Dispute Settlement Mechanism:** The WTO's future rests on how efficiently it addresses the problems associated with its adjudication role. The dispute settlement process must be strengthened in order for global commerce to remain trustworthy and stable. Reforms should prioritize making the system more accessible and reliable, especially for smaller nations. By ensuring fair and timely resolution of trade disputes, the WTO can strengthen its position as a cornerstone of international trade regulation.
- **Integrate Environmental and Digital Risks and Opportunities into Trade Policies:** By employing an Earth Stewardship Council to enhance governance of the global commons and public goods, and an International Artificial Intelligence Agency (IA2) to govern AI-enabled goods trade and the economic impact of the digital frontier (in coordination with the WTO's Technical Barriers to Trade Committee), the international community can better adapt to the challenges and opportunities of future global trade governance.



## **Closing Plenary Session: Working Group Report-Backs and Ambassadorial Segment**

**Moderators: Dr. Richard Ponzio** and **Nudhara Yusuf**, Stimson Center and Global Governance Innovation Network.

**Spokespersons: GPD Session #1: Dr. Diego Salama**, University of Leiden and Global Governance Journal; **GPD Session #2: Dr. Aigul Kulnazarova**, Tama University and ACUNS Board Member; and **GPD Session #3: Dr. Sumit Nakaya**, Hitotsubashi University.

**Distinguished Discussants:: Ambassador Stefán Haukur Jóhannesson**, Embassy of Iceland to Japan; **Ms. Annalese Schroeder**, Minister Plenipotentiary, Embassy of South Africa to Japan; **Mr. Tiago de Brito Penedo**, Deputy Head of Mission, Embassy of Portugal to Japan; and **Mr. Haitze Siemers**, Deputy Head of Delegation, Delegation of the European Union to Japan.

The spokespersons for each session reported back on the discussions from the three Global Policy Dialogue sessions that had taken place over the two days, highlighting key insights and recommendations. These included, for example, the establishment of biennial high-level meeting to promote collaboration between the G20 and the UN on the global economy, innovative financing mechanisms for development, and upgrading UNEP into an empowered Global Environment Agency within the UN system to better address global climate risks and provide state-of-the-art advice to the Bretton Woods Institutions. Across the board, emphasis was placed on the importance of these discussions in relation to the upcoming Summit of the Future and the development of the Pact for the Future, underscoring the need for coherent and robust mechanisms to tackle current global emergencies and pursue future opportunities.

The distinguished panel of diplomats and ambassadors provided detailed feedback on the recommendations shared, recognizing the necessity of enhancing global and regional governance and fostering innovative financing mechanisms for sustainable development. Panelists underscored the call for reforms in the WTO, the need for an inclusive and flexible governance structure within the Bretton Woods institutions, and the crucial role of multilateralism in maintaining international peace and security and sustainable development. The discussant panel connected their commentary to identified challenges, emphasizing the importance of regional representation and inclusivity in multilateral institutions to build momentum for change. They also underscored the urgency of addressing internal governance issues and the need for a rules-based international order, especially in light of current geopolitical challenges and rising Great Power tensions.

The panel further expressed concern that the erosion of multilateralism represents both a justification for these recommendations, but also potentially their biggest barrier to implementation, particularly noting the detrimental impact of increased unilateral actions by larger countries in global institutions such as the WTO. Highlighting the necessity of reinvigorating the “country rounds mechanism” for WTO reform and addressing the issue of countries self-appointing as *developing*, the panelists stressed the importance of equitable global governance. The need to amplify the voice of the Global South in these recommendations was underscored, with calls to tackle debt problems and illicit financial flows, especially in African countries, through a review of the international tax system and reforms in

multilateral institutions to reflect contemporary global power dynamics. Furthermore, there was strong support for establishing a cost-neutral network and virtual secretariat for G20-UN collaboration, with the Summit of the Future seen as crucial for reaffirming trust in multilateralism.

In conclusion, the Global Policy Dialogue discussions in Tokyo highlighted a crisis of multilateralism, the significance of international law and widespread adherence to internationally agreed norms, and the need for justice and inclusion in multilateral institutions. The feedback from the distinguished panel reinforced the necessity of comprehensive reforms, innovative financing mechanisms, and a strengthened global governance framework to address contemporary challenges more effectively. Ensuring strong linkages to the Sustainable Development Goals and the Summit of the Future, civil society will play an essential role in retaining and sustaining momentum for change across the entire, mutually intertwined UN agenda of sustainable development, peace and security, and human rights. A renewed commitment to multilateralism and inclusive global governance is imperative for tackling the increasingly complex challenges of the 21st century.

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For a related and recently released report by the Stimson Center, visit: [\*Global Governance Innovation Report 2024: Advancing Human Security through a New Global Economic Governance Architecture\*](#). About the Report: Since its introduction by Mahbub ul Haq in Human Development Report 1993, the powerful notion of human security has evolved, incorporating principles of justice while elevating nature and technology's roles in safeguarding and enriching human life. Still, its original insight from over three decades ago holds true: secure nations require a sense of security, well-being, and belonging among their citizens too. But with only fifteen percent of the Sustainable Development Goals on track to be met by 2030, and as hundreds of millions face extreme poverty worldwide, human security seems out of reach for too many people. Against this challenging backdrop, global economic governance needs outside-the-box ideas supporting broad-based, greener development. This report, focusing on UN system-G20 economic coordination, financing for development, global monetary and fiscal policy, and “new frontiers” in governing global trade (including artificial intelligence, sustainability, and futures thinking), considers proactive global institutional, legal, policy, normative, and operational innovations to inform the agenda and help to raise ambitions of the Summit of the Future. Central to a strategy for achieving human security for all, *Global Governance Innovation Report 2024* underscores the importance of skillful multilateral diplomacy and the recent formation of ImPact Coalitions—assembling expertise across civil society in partnership with champion governments—in the adoption of several far-reaching, high impact global governance reforms. Success also hinges on a robust, closely monitored follow-up effort to support the goals and commitments reached at the summit.