

NGO Letter to G7 Leaders

4 June 2024

Dear G7 Leaders,

You hold immense power and responsibility in the world, representing a quarter of the global economy, causing one fifth of global emissions and providing the majority – three quarters – of funding for climate and development needs in the Global South. Despite current global challenges, your influence is crucial in tackling issues like the climate crisis, extreme poverty, and global hunger. We urge you to take four bold steps at the upcoming G7 Summit to address these critical problems:

A successful IDA21 replenishment depends on you:

IDA is the most important provider of financing for 75 countries in the world, key in ensuring progress in the fight against extreme poverty, accelerating a green and just transition and ensuring food and health security. The World Bank represents for instance one of the largest sources of financing for food security and nutrition, it is critical that this funding is not lost, or we risk a dire malnutrition crisis. However, over the last ten years, donor contributions to IDA actually went down. Given that the G7 accounts for around $\frac{2}{3}$ of all IDA contributions, G7 leaders, commit to increase your contribution by 25% in real terms and pave the way for success in December in Korea. Inflation, cost of living and energy crises are no excuses for you not to step up - if you struggle, imagine how the poorest and most indebted countries in the world cope.

Make history in leveraging the full potential of Special Drawing Rights:

Now that the IMF green lit the use of SDRs for hybrid capital, you can take a historic decision: support the African Development Bank mechanism, the first of its kind, quadrupling the value of SDRs and providing precious financing for the Continent. As global financial reform has been on top of everyone's agenda, you don't want to forego this opportunity. G7 leaders – support the AfDB mechanism, either through SDRs reallocations or guarantees, and encourage others to step up as well.

Acting on debt is in your power:

Debt pause clauses are a great means to quickly free funding in case of an external shock. In 2020, it first needed a G20 decision to agree on a debt service suspension initiative to help poorer countries address the immediate impacts of COVID. Such an initiative would become obsolete if debt clauses are generalized. We welcome the development of Climate Resilient Debt Clauses as mentioned in the G7 Finance Ministers' communiqué in May. As a next step, G7 leaders, ensure that all creditors implement pause clauses for small island developing states and low-income countries, in case of natural disasters but also famines or major epidemics. In parallel, make progress in reforming the debt architecture in depth.

Translate the historic COP28 agreement into action:

For the first time ever, the international community committed at COP28 to “transition away from fossil fuels”. This is the opportunity to take action and ensure that this agreement is implemented. How? By embedding national targets and timelines on how you will deliver a phase out of fossil fuels in your new national climate plans, the NDCs. This includes a phase out of coal by 2030 in line with IEA targets for OECD and EU countries. Make sure that the next round of climate plans re-align efforts with the goals set out in the Paris Climate Agreement, and are backed by robust financing and investment plans.

The time to act is now. As the leaders of the world's most powerful economies, you have the ability to create a sustainable and equitable future. We call on you to take these bold actions at the G7 Summit to ensure a better world for all of us. Your leadership can make the difference!

Signers:

Accountability Lab
Community Focus Group (CFG)
Development Initiatives
Equal International
E3G
Global Citizen
Global Nation
Grassroots Development Initiatives Foundation-Kenya
Innoeva Development Foundation
Japan NGO Center for International Cooperation (JANIC)
Jon Edwards, Philanthropy Advisor
Make My Money Matter
The ONE Campaign
Pandemic Action Network
Project Everyone
SDG2 Advocacy Hub
Sharing Strategies
Uniting to Combat NTDs
Women in Democracy and Governance (WIDAG-Kenya)

**GLOBAL
CITIZEN.**

PROJECT
EVERYONE

 Community Focus Group
EMPOWERING THE COMMUNITY

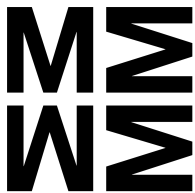
Sharing
Strategies

 **Global
Nation**

 **development
initiatives**



E3G



Make
My
Money
Matter



Equal 



INNOVEA
DEVELOPMENT
FOUNDATION



 **accountabilitylab**

 **UNITING TO COMBAT**
NEGLECTED TROPICAL DISEASES