



## SRMUN ATLANTA 2020

*Understanding and Combating Global Multidimensional Poverty and Inequality*

October 23-25, 2020

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Greetings Delegates,

Welcome to the Virtual SRMUN Atlanta 2020 and the United Nations Development Programme (UNDP) Executive Board. My name is Alyssa Jaime, and I will be serving as your Director for the UNDP Executive Board. This will be my fifth conference as a SRMUN staff member. Previously, I served as Director for the United Nations Children's Fund Executive Board at SRMUN Atlanta 2019, and as Assistant Director for the Organization of American States at SRMUN Charlotte 2019, the United Nations Economic Commission for Latin America and the Caribbean at SRMUN Atlanta 2018, and the United Nations Economic and Social Commission for Asia and the Pacific at SRMUN Atlanta 2017. I am currently pursuing my degree in International and Global Studies at the University of Central Florida. Our committee's Assistant Director will be Daniel Johnson. This will be Daniel's first time as a staff member, but fourth time at SRMUN overall. Daniel is currently pursuing his master's degree in Political Science.

The UNDP's mission is to help Member States develop policies, leadership skills, partnering abilities, institutional capabilities and build resilience in its effort to eradicate poverty, reduce inequalities and exclusion, and enable development. The UNDP Executive Board, comprised of 36 Member States representing the five major regions of the world, funds, guides, and supervises the activities of the UNDP organization.

By focusing on the mission of the UNDP and the SRMUN Atlanta 2020 theme of "*Understanding and Combating Global Multidimensional Poverty and Inequality*" we have developed the following topics for the delegates to discuss come conference:

- I. Addressing Growing Levels of Sovereign Debt Related to Development Financing
- II. The Role of Cities in Promoting Sustainable Development

The background guide provides a strong introduction to the committee and the topics and should be utilized as a foundation for the delegate's independent research. However, the guide should only serve as a starting point for delegates, as it is a surface level analysis of each topic. Delegates are expected to go beyond the background guide and engage in deep research on the topics, as well as their Member States' position on said topics. The position papers for the committee should reflect the complexity of these issues as well as their implications on the international community as a whole. Delegations are expected to submit a position paper and be prepared for a vigorous discussion at the conference. Position papers should be no longer than two pages in length (single spaced) and demonstrate your Member State's position, policies and recommendations on each of the two topics. For more detailed information about formatting and how to write position papers, delegates can visit [srmun.org](http://srmun.org). All position papers **MUST be submitted no later than Friday, October 2, 2020, by 11:59pm EST** via the SRMUN website in order to be eligible for Outstanding Position Paper Awards.

Daniel and I are enthusiastic about serving as your dais for the UNDP. We wish you all the best of luck in your conference preparation and look forward to working with you in the near future. Please feel free to contact Michael Engelhardt, Daniel, or myself if you have any questions while preparing for the conference.

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## History of the United Nations Development Programme

Officially created on November 22, 1965, the United Nations Development Programme (UNDP) is an organization that seeks to address global economic and social development goals.<sup>1</sup> The UNDP became the primary body within the United Nations (UN) that deals with issues of world development following the merger of the Expanded Programme of Technical Assistance and the UN Special Fund.<sup>2</sup> This merger ensued as part of a broad UN-wide project to “streamline activities...simplify organizational procedures...and increasing effectiveness” across the organization.<sup>3</sup> Currently, the UNDP has personnel in nearly 170 Member States working to address issues of poverty and inequality.<sup>4</sup>

The UNDP Executive Board governs the UNDP. The Executive Board, comprised of 36 Member States representing the five major regions of the world, serves to guide and supervise the UNDP, the UN Population Fund, and the UN Office for Project Services.<sup>5</sup> Seats on the UNDP Executive Board are allocated as follows: eight seats for African Member States, seven seats for Member States in the Asia-Pacific region, four seats for Eastern-European Member States, five seats for Member States in Latin America and the Caribbean, and 12 seats for Western Europe and other Member States.<sup>6</sup> At the beginning of each yearly session, the Executive Board elects a Bureau made up of a President and four Vice-Presidents; the Member State holding the Presidency rotates each year by region, allowing for diverse representation.<sup>7</sup> The agenda for each session is decided upon by the Executive Board, with special topics being added throughout the session at the Board’s discretion.<sup>8</sup>

The Executive Board is also responsible for the distribution of UNDP funding.<sup>9</sup> The UNDP’s budget for 2019 was set at USD 4.264 Billion, and it currently has 3,034 ongoing projects.<sup>10</sup> Total funding contributions to the UNDP are derived from various sources; approximately 40 percent are from donor Member States, another 40 percent are from multilateral partners, and around 20 percent are from the governments of Member States where projects are being carried out.<sup>11</sup> These contributions are provided as either core resources or non-core resources. Core resources are the backbone to the UNDP’s mission, and are vital in providing support in a manner that maintains UNDP’s effectiveness, accountability, and transparency. The funding for core resources, or regular resources, comes primarily from Member States.<sup>12</sup> Non-core resources, or other resources, comprise 87 percent of the budget contributions to UNDP, and are channeled through cost sharing from “programme and donor country governments, funding windows, UN

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<sup>1</sup> “History of the UNDP,” Borgen Magazine, June 1, 2013, <http://www.borgenmagazine.com/the-history-of-the-undp/>.

<sup>2</sup> United Nations General Assembly, Resolution 2029, *Consolidation of the Special Fund and the Expanded Programme of Technical Assistance in a United Nations Development Programme*, A/RES/20/29, November 22, 1965, <https://documents-dds-ny.un.org/doc/RESOLUTION/GEN/NR0/217/92/PDF/NR021792.pdf?OpenElement>.

<sup>3</sup> United Nations, “Funds, Programmes, Specialized Agencies and Others,” <http://www.un.org/en/sections/about-un/funds-programmes-specialized-agencies-and-others/index.html> (accessed March 24, 2018).

<sup>4</sup> United Nations Development Programme, “Overview,” <http://www.undp.org/content/undp/en/home/about-us.html> (accessed March 24, 2018).

<sup>5</sup> United Nations Development Programme, “Information note about the Executive Board of UNDP, UNFPA and UNOPS,” <http://www.undp.org/content/undp/en/home/executive-board/information-note-on-the-executive-board.html> (accessed March 24, 2018).

<sup>6</sup> United Nations Development Programme, “Members of the Executive Board,” [http://www.undp.org/content/undp/en/home/operations/executive\\_board/membership.html](http://www.undp.org/content/undp/en/home/operations/executive_board/membership.html) (accessed September 1, 2017).

<sup>7</sup> United Nations, “Rules of Procedure of the Executive Board of the United Nations Development Programme, of the United Nations Population Fund and of the United Nations Office for Project Services,” (January 2011) [http://www.undp.org/content/dam/undp/library/corporate/Executive%20Board/Rules\\_of\\_Procedure\\_E.pdf](http://www.undp.org/content/dam/undp/library/corporate/Executive%20Board/Rules_of_Procedure_E.pdf).

<sup>8</sup> United Nations, “Rules of Procedure of the Executive Board of the United Nations Development Programme, of the United Nations Population Fund and of the United Nations Office for Project Services.”

<sup>9</sup> United Nations, “Rules of Procedure of the Executive Board of the United Nations Development Programme, of the United Nations Population Fund and of the United Nations Office for Project Services.”

<sup>10</sup> United Nations Development Programme, “Our Projects,” <https://open.undp.org/#2018> (accessed March 23, 2018).

<sup>11</sup> United Nations Development Programme, “Funding Compendium 2016,” <http://www.undp.org/content/dam/undp/library/corporate/Partnerships/Funding%20Compendium%202016.pdf>.

<sup>12</sup> United Nations Development Programme, “Contributors, UNDP Regular Resources,” <http://www.undp.org/content/undp/en/home/funding/core-donors.html> (accessed March 20, 2018).

pooled funds, or vertical funds.”<sup>13</sup> International Financial Institutions (IFIs), such as the African Development Bank, the Asian Development Bank, the Inter-American Development Bank, and World Bank, among others, are responsible for a significant allocation of “project-specific” funds.<sup>14</sup> Partnerships with the private sector, global and location foundations, and civil society organizations are valuable assets to ensuring the success of UNDP projects. In addition, the UNDP has benefited from volunteer services by public figures in various fields of work, known as Goodwill Ambassadors and Advocates, helping to highlight important issues.<sup>15</sup>

The UNDP’s mission is to eliminate poverty and reduce all forms of inequality.<sup>16</sup> The UN General Assembly’s A/RES/70/1 provided a specific framework, known as the 2030 Agenda for Sustainable Development, for tackling such issues as sustainable management of global resources, intercultural understanding, inclusive economic development and more.<sup>17</sup> The 2030 Agenda for Sustainable Development put forth a plan of action, expressed through the 17 Sustainable Development Goals (SDGs), for eradicating poverty and ensuring prosperity while conserving environmental resources for future generations.<sup>18</sup> As the UN’s primary development agency, the UNDP is heavily involved in helping to implement the SDGs, but is more engaged in several specific goals.<sup>19</sup>

SDG 17 focuses on bringing the global community together to address development challenges worldwide.<sup>20</sup> While this is primarily economically focused, this goal encourages private-public partnerships as a way to promote and achieve sustainable development across the globe. By finding common values and goals between public and private entities, the UNDP fosters development in critical economic sectors.<sup>21</sup> UNDP submits an annual report to the Economic and Social Council, where recommendations are then passed on to the General Assembly, as well as progress reports about ongoing projects.<sup>22</sup> UNDP also administers the UN Capital Development Fund, which supplements developing countries’ economies by means of grants and loans. Overall, the current goal of the UNDP is to promote global economic, social, and environmental development using the framework of the 2030 Agenda.<sup>23</sup>

SDG 11: Sustainable Cities and Communities is also important in combating extreme poverty and reducing inequalities.<sup>24</sup> Currently, more than half of the world’s population lives in urban areas and this number only continues to grow. Extreme poverty is often concentrated in urban places, and governments are struggling to accommodate the rising populations in these areas. Sustainable development cannot be achieved without

<sup>13</sup> United Nations Development Programme, “Funding Compendium 2016.”

<sup>14</sup> United Nations Development Programme, “UNDP: Our Partners,” <http://www.undp.org/content/undp/en/home/partners.html> (accessed March 20, 2018).

<sup>15</sup> United Nations Development Programme, “UNDP: Our Partners.”

<sup>16</sup> United Nations Development Programme, “UNDP Strategic Plan: 2014-2017,” [http://www.undp.org/content/undp/en/home/librarypage/corporate/Changing\\_with\\_the\\_World\\_UNDP\\_Strategic\\_Plan\\_2014\\_17.html](http://www.undp.org/content/undp/en/home/librarypage/corporate/Changing_with_the_World_UNDP_Strategic_Plan_2014_17.html).

<sup>17</sup> United Nations General Assembly, Resolution 70/1, *Transforming our world: the 2030 Agenda for Sustainable Development* A/RES/70/1, October 21, 2015, <https://sustainabledevelopment.un.org/index.php?page=view&type=111&nr=8496&menu=35>.

<sup>18</sup> United Nations General Assembly, Resolution 70/1, *Transforming our world: the 2030 Agenda for Sustainable Development*.

<sup>19</sup> United Nations Development Programme Partnership with the Global Fund, “Sustainable Development Goals (SDGs),” <http://www.undp-globalfund-capacitydevelopment.org/en/about-us/sustainable-development-goals/> (accessed March 23, 2018).

<sup>20</sup> United Nations Development Programme Partnership with the Global Fund, “Sustainable Development Goals (SDGs).”

<sup>21</sup> United Nations, “Goal 17: Revitalize the global partnership for sustainable development,” <http://www.un.org/sustainabledevelopment/globalpartnerships/> (accessed March 20, 2018).

<sup>22</sup> United Nations Development Programme, “Information note about the Executive Board of UNDP, UNFPA and UNOPS.”

<sup>23</sup> United Nations Development Programme, “Overview.”

<sup>24</sup> United Nations Development Programme, “Goal 11: Sustainable Cities and Communities,” <http://www.undp.org/content/undp/en/home/sustainable-development-goals/goal-11-sustainable-cities-and-communities.html> (accessed March 21, 2018).

significantly transforming the way in which we build our urban spaces.<sup>25</sup> In all of its projects, UNDP focuses on achieving sustainable development through an approach that “tackles the connected issues of multidimensional poverty, inequality and exclusion, and sustainability, while enhancing knowledge, skills, and production technologies to enlarge peoples’ choices, reduce risks, and sustain development gains.”<sup>26</sup>

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<sup>25</sup> United Nations Development Programme, “Goal 11: Sustainable Cities and Communities.”

<sup>26</sup> United Nations Development Programme, “Sustainable Development,”  
<http://www.undp.org/content/undp/en/home/sustainable-development.html> (accessed March 21, 2018).

# **I. Addressing Growing Levels of Sovereign Debt Related to Development Financing**

## ***Introduction***

In order to fully exercise its role in adopting the United Nations' (UN) 2030 Agenda for Sustainable Development, the United Nations Development Programme (UNDP) must first address the many hindrances that prevent Member States from achieving their development goals. Loans granted by governments rather than institutions have higher interest rates and tie the individual donor's geopolitical aspirations into the growth experienced by the recipient.<sup>27</sup> This situation is even more so the case in least developed countries (LDCs).<sup>28</sup> In order for Member States to continue development projects, while managing the accruing costs, they must first find a way to identify and maintain a sustainable level of sovereign debt in compliance with their ability to meet their financial needs.<sup>29</sup> Failure to manage the burden of these debts can have long lasting and far reaching consequences for Member States, especially those that are the least developed.

## ***History***

During the Bretton Woods Conference in July 1944, Member States worked together to create several major political and economic reforms in pursuit of a generally agreed framework for global economic cooperation and development.<sup>30</sup> One of these initiatives was the creation of two of the most renowned global financial institutions to manage global economic affairs: The International Monetary Fund (IMF) and the World Bank (WB).<sup>31</sup> Although the IMF and WB are complementary in their roles as pillars of the world economy, there are some stark differences in their operations.<sup>32</sup> The WB manages financial transactions with the overall intention of reducing global poverty, while the IMF monitors the values of world currencies and safeguards the global economy from destabilizing shocks to the monetary system.<sup>33</sup>

The IMF and WB also vary in their lending practices.<sup>34</sup> On one hand, the IMF manages economic cooperation between Member States and serves as an advisor for indebted Member States who are restructuring their domestic financial policies.<sup>35</sup> The IMF can best be described as a crisis manager when individual Member States and the global economy experiences extreme economic downturns.<sup>36</sup> The IMF was an instrumental player in the Asian Financial Crisis of 1997; when multiple Member States in the region were affected by the crisis, the IMF supported debt refinancing programs to encourage economic regrowth.<sup>37</sup> On the other hand, the WB is designed for more long-term economic development.<sup>38</sup> While the IMF is considered an emergency relief-funding agency, the WB is presumed to work under "normal"

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<sup>27</sup> Goldsmith, Courtney. "Is a New Debt Crisis Mounting in Africa?" World Finance.

<sup>28</sup> "Debt Stocks of Developing Countries Rose to \$7.8 Trillion in 2018: World Bank International Debt Statistics." World Bank. Accessed June 20, 2020. <https://www.worldbank.org/en/news/press-release/2019/10/02/debt-stocks-of-developing-countries-rose-to-78-trillion-in-2018-world-bank-international-debt-statistics>.

<sup>29</sup> "Debt Stocks of Developing Countries Rose to \$7.8 Trillion in 2018: World Bank International Debt Statistics." World Bank.

<sup>30</sup> "The IMF and the World Bank." IMF, March 25, 2020. <https://www.imf.org/en/About/Factsheets/Sheets/2016/07/27/15/31/IMF-World-Bank>.

<sup>31</sup> "The IMF and the World Bank." IMF, March 25, 2020.

<sup>32</sup> "The IMF and the World Bank." IMF, March 25, 2020.

<sup>33</sup> "The World Bank Group and the International Monetary Fund (IMF)." World Bank. Accessed April 22, 2020. <https://www.worldbank.org/en/about/history/the-world-bank-group-and-the-imf>.

<sup>34</sup> "The World Bank Group and the International Monetary Fund (IMF)." World Bank. Accessed April 22, 2020.

<sup>35</sup> "The IMF and the World Bank." International Monetary Fund, March 25, 2020. <https://www.imf.org/en/About/Factsheets/Sheets/2016/07/27/15/31/IMF-World-Bank>.

<sup>36</sup> "IMF Lending." International Monetary Fund, March 27, 2020. <https://www.imf.org/en/About/Factsheets/IMF-Lending>.

<sup>37</sup> Fischer, Stanley. "The Asian Crisis: A View from the IMF--Address by Stanley Fischer." IMF, January 22, 1998. Accessed August 10, 2020. <https://www.imf.org/en/News/Articles/2015/09/28/04/53/sp012298>.

<sup>38</sup> "The IMF and the World Bank." IMF, March 25, 2020. <https://www.imf.org/en/About/Factsheets/Sheets/2016/07/27/15/31/IMF-World-Bank>.

economic circumstances, providing financial assistance and advice for every-day development processes within Member States such as the construction of schools, infrastructure development, and environmental policies.<sup>39</sup>

From a regional historical perspective, during what became known as “the lost decade” of the 1980s, many Latin American States experienced sharp economic downturns, which affected their ability to meet their loan repayment deadlines.<sup>40</sup> Prices of oil, a major export of several Member States including Venezuela, were affected across the world and forced Member States to incur more loans.<sup>41</sup> As a result, total regional debt grew from USD 29 Billion (1970) to USD 159 Billion (1978) to USD 329 Billion (1982).<sup>42</sup> The involvement of heavy foreign banking tied too many interests in the region, and when Mexico announced in 1982 that it would have to reschedule its payments, others in the region followed.<sup>43</sup> Lending was halted altogether and plunged the region into a decade-long financial crisis.<sup>44</sup> Some studies place the blame of the crisis on external forces that set the loan standards, rather than the Latin American States that relied on these loans.<sup>45</sup> The Latin American financial crisis exposed the risks that developing recipient Member States face when accepting external economic aid.<sup>46</sup> As demonstrated by the Latin American financial crisis, recipient Member States have traditionally become extremely vulnerable to severe economic changes once they begin accepting loans from bilateral sources.<sup>47</sup>

Another important regional crisis to note is the Asian Financial Crisis of 1997. The crisis began in Thailand, when the Thai Baht experienced a deep devaluation as a result of the Thai government’s decision to remove the US Dollar as the Baht’s backing.<sup>48</sup> The crisis affected a large majority of Southeast Asia, South Korea, Russia, and eventually the United States (US) of America and Brazil.<sup>49</sup> As a result of the crisis, the IMF stepped in to implement debt restructuring programs to aid financial recovery in the affected Member States.<sup>50</sup> Similar to the Latin American crisis, the IMF received heavy criticism for its handling of the Asian Financial Crisis.<sup>51</sup> The IMF was criticized for not taking into account each Member State’s individual needs, instead applying the same uniform policy that was used in Latin America.<sup>52</sup> Another criticism of the IMF’s handling was the lack of Asian representation in both the IMF and WB at the time; without the presence of Asian Member States, the leadership of the affected Member States believed their issues were being debated by Member States who were not directly affected by the crisis.<sup>53</sup>

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<sup>39</sup> “The IMF and the World Bank.” International Monetary Fund, March 25, 2020.

<https://www.imf.org/en/About/Factsheets/Sheets/2016/07/27/15/31/IMF-World-Bank>.

<sup>40</sup> Sims, Jocelyn, and Jessie Romero. “Latin American Debt Crisis of the 1980s.” Federal Reserve History, November 22, 2013. [https://www.federalreservehistory.org/essays/latin\\_american\\_debt\\_crisis](https://www.federalreservehistory.org/essays/latin_american_debt_crisis).

<sup>41</sup> Sims, Jocelyn, and Jessie Romero. “Latin American Debt Crisis of the 1980s.” Federal Reserve History.

<sup>42</sup> Sims, Jocelyn, and Jessie Romero. “Latin American Debt Crisis of the 1980s.” Federal Reserve History.

<sup>43</sup> Sims, Jocelyn, and Jessie Romero. “Latin American Debt Crisis of the 1980s.” Federal Reserve History.

<sup>44</sup> Sims, Jocelyn, and Jessie Romero. “Latin American Debt Crisis of the 1980s.” Federal Reserve History.

<sup>45</sup> Ocampo, Jose Antonio. “The Latin American Debt Crisis in Historical Perspective.” *The Latin American Debt Crisis in Historical Perspective*. London, 2014.

[http://policydialogue.org/files/publications/papers/The\\_Latin\\_American\\_Debt\\_Crisis\\_in\\_Historical\\_Perspective\\_Jos\\_Antonio\\_Ocampo.pdf](http://policydialogue.org/files/publications/papers/The_Latin_American_Debt_Crisis_in_Historical_Perspective_Jos_Antonio_Ocampo.pdf).

<sup>46</sup> Ocampo, Jose Antonio. “The Latin American Debt Crisis in Historical Perspective.”

<sup>47</sup> Ocampo, Jose Antonio. “The Latin American Debt Crisis in Historical Perspective.”

<sup>48</sup> Chappelow, Jim. “Asian Financial Crisis Definition.” Investopedia. Investopedia, March 16, 2020. Accessed August 10, 2020. <https://www.investopedia.com/terms/a/asian-financial-crisis.asp>.

<sup>49</sup> Ba, Alice D. “Asian Financial Crisis.” Encyclopædia Britannica. Encyclopædia Britannica, inc., April 25, 2019. Accessed August 10, 2020. <https://www.britannica.com/event/Asian-financial-crisis>.

<sup>50</sup> Ba, Alice D. “Asian Financial Crisis.” Encyclopædia Britannica. Encyclopædia Britannica, inc., April 25, 2019. Accessed August 10, 2020.

<sup>51</sup> Ba, Alice D. “Asian Financial Crisis.” Encyclopædia Britannica. Encyclopædia Britannica, inc., April 25, 2019. Accessed August 10, 2020.

<sup>52</sup> Ba, Alice D. “Asian Financial Crisis.” Encyclopædia Britannica. Encyclopædia Britannica, inc., April 25, 2019. Accessed August 10, 2020.

<sup>53</sup> Ba, Alice D. “Asian Financial Crisis.” Encyclopædia Britannica. Encyclopædia Britannica, inc., April 25, 2019. Accessed August 10, 2020.



Despite the criticism, the IMF issued an estimated USD 110 Billion in short-term loans to three of the hardest-hit Member States, South Korea, Thailand, and Indonesia, and were credited with helping those economies recover by the end of 1999.<sup>54</sup> The Asian Financial Crisis was considered a major turning point in assessing how to handle subsequent financial fears.<sup>55</sup> During the US Recession of 2008, Asian economies stayed resilient through measures undertaken after the end of the Asian Financial Crisis.<sup>56</sup> Flexible exchange rates, insulation from external vulnerabilities, and stronger supervision of the financial sector were some of the ways Asian economies protected themselves from a second large-scale crisis.<sup>57</sup>

Sub-Saharan Africa is now one of the largest recipients of financial aid from the IMF.<sup>58</sup> Regional external debt grew from USD 18 Billion in 1975 to USD 220 Billion in 1995, while the average debt ratios across the continent grew from 51 percent to approximately 270 percent in the same time period.<sup>59</sup> To prevent an economic meltdown in sub-Saharan Africa (SSA), the IMF enacted the Heavily Indebted Poor Countries (HIPC) initiative, which wiped a total of USD 99 Billion worth of external debt in the 1990s and left 30 SSA States virtually debt-free.<sup>60</sup>

In November 2001, the Doha Declaration was published, which stated Member States present at the World Trade Organization (WTO) Ministerial Conference in 2001 should, “intensify efforts to prevent debt crises by enhancing international financial mechanisms for crisis prevention and resolution, in cooperation with the private sector, and by finding solutions that are transparent and agreeable to all.”<sup>61</sup> Debt sustainability, lender responsibility, and lender-recipient cooperation were some of the core principles in the Declaration, with the ultimate goal of preventing indebted States from being affected by large shocks to the global economy.<sup>62</sup>

### ***Current Situation***

In 2019, total external debt of low- and middle-income Member States rose by 5.3 percent for a total of USD 7.8 Trillion.<sup>63</sup> At the same time, principal payments towards loans by these Member States minus gross disbursements from external creditors (also known as net debt) decreased 28 percent to USD 529 billion, according to the World Bank’s (WB) *International Debt Statistics 2020* report.<sup>64</sup> According to the WB, Member States should have a debt-to-Gross National Income (GNI) ratio of 30 percent or less.<sup>65</sup> From 2009 to 2019, the percentage of indebted Member States below this 30 percent level fell from 42 percent to

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<sup>54</sup> Chappelw, Jim. “Asian Financial Crisis Definition.” Investopedia. Investopedia, March 16, 2020. Accessed August 10, 2020.

<sup>55</sup> Chappelw, Jim. “Asian Financial Crisis Definition.” Investopedia. Investopedia, March 16, 2020. Accessed August 10, 2020.

<sup>56</sup> Furusawa, Mitsuhiro. “What We Have Seen and Learned 20 Years After the Asian Financial Crisis.” IMF Blog, July 13, 2017. Accessed August 10, 2020. <https://blogs.imf.org/2017/07/13/what-we-have-seen-and-learned-20-years-after-the-asian-financial-crisis/>.

<sup>57</sup> Furusawa, Mitsuhiro. “What We Have Seen and Learned 20 Years After the Asian Financial Crisis.” IMF Blog, July 13, 2017. Accessed August 10, 2020.

<sup>58</sup> Tait, Lauren, Abu Siddique, and Ishita Chatterjee. “Foreign Aid And Economic Growth In Sub-Saharan Africa.” Economics Discussion / Working Papers. The University of Western Australia, Department of Economics, 2015. <https://ideas.repec.org/p/uwa/wpaper/15-35.html>.

<sup>59</sup> Ajayi, S. Ibi, and Mohsin S. Khan, eds. “External Debt and Capital Flight in Sub-Saharan Africa.” International Monetary Fund.

<sup>60</sup> Goldsmith, Courtney. “Is a New Debt Crisis Mounting in Africa?” World Finance, August 5, 2019. <https://www.worldfinance.com/special-reports/is-a-new-debt-crisis-mounting-in-africa>.

<sup>61</sup> “External Debt | Department of Economic and Social Affairs.” United Nations. Accessed April 24, 2020. <https://www.un.org/en/development/desa/financial-crisis/debt.html>.

<sup>62</sup> “External Debt | Department of Economic and Social Affairs.” United Nations.

<sup>63</sup> “Debt Stocks of Developing Countries Rose to \$7.8 Trillion in 2018: World Bank International Debt Statistics.” World Bank.

<sup>64</sup> “Debt Stocks of Developing Countries Rose to \$7.8 Trillion in 2018: World Bank International Debt Statistics.” World Bank.

<sup>65</sup> “Debt Stocks of Developing Countries Rose to \$7.8 Trillion in 2018: World Bank International Debt Statistics.” World Bank.

just 25 percent, indicating that more low- to middle-income Member States have been taking on greater financial burdens with regards to addressing external debt.<sup>66</sup>

A debt threshold is a benchmark by which a Member State's tipping point towards economic decline is measured.<sup>67</sup> Debt thresholds measure the proper percentage of debt-to-Gross Domestic Product (GDP) in any given Member State, which is used as a benchmark to determine "healthy" levels of debt one Member State can incur.<sup>68</sup> Several studies on debt thresholds have shown that developed Member States have higher debt thresholds (greater than 90 percent of the national GDP) as opposed to the thresholds of developing Member States (greater than 30-40 percent of the national GDP).<sup>69</sup> The idea is that developed Member States have stronger economies to better protect themselves from unsustainable levels of debt.<sup>70</sup> On the other hand, developing Member States have lower thresholds due to their lack of financial institutions in place to insulate their economies from sudden changes in their debt financing.<sup>71</sup>

In its 2019 report, *Current Challenges to Developing Country Debt Sustainability*, the United Nations Conference on Trade and Development (UNCTAD) determined that the overall global debt-to-GDP ratio was more than 30 percent higher at the beginning of 2018 than it was at the beginning of the financial crisis of 2007.<sup>72</sup> According to the report, the average debt-to-GDP ratios of the largest developing regions — sub-Saharan Africa, Central Asia, and Latin America — exceeded 30 percent, signaling that these areas are taking on the majority of the world's total debt burden.<sup>73</sup> While the statistics on the full extent of this burden are inconclusive, it can be determined that debt accrued from loan investments in the developing world account for 25 percent of those Member States' national GDPs.<sup>74</sup>

The Middle East and North Africa (MENA) is both one of the most economically important regions in terms of its resource wealth, and one of the most conflict-prone regions in the world.<sup>75</sup> Therefore, the region is particularly vulnerable to unscrupulous lending policies and investors wishing to extract its mineral wealth.<sup>76</sup> MENA's status as the second largest recipient of donor aid from international financial institutions and developed Member States means the region relies heavily on donor interests in its mineral wealth (primarily oil reserves).<sup>77</sup> Over the past 20 years, Member States in the MENA region have seen

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<sup>66</sup> "Debt Stocks of Developing Countries Rose to \$7.8 Trillion in 2018: World Bank International Debt Statistics." World Bank.

<sup>67</sup> Butkus, Mindaugas, and Janina Seputiene. "Growth Effect of Public Debt: The Role of Government Effectiveness and Trade Balance." *Economies* 6, no. 4 (November 23, 2018): 1–27.  
<https://doi.org/10.3390/economies6040062>.

<sup>68</sup> Butkus, Mindaugas, and Janina Seputiene. "Growth Effect of Public Debt: The Role of Government Effectiveness and Trade Balance."

<sup>69</sup> Butkus, Mindaugas, and Janina Seputiene. "Growth Effect of Public Debt: The Role of Government Effectiveness and Trade Balance."

<sup>70</sup> Butkus, Mindaugas, and Janina Seputiene. "Growth Effect of Public Debt: The Role of Government Effectiveness and Trade Balance."

<sup>71</sup> Butkus, Mindaugas, and Janina Seputiene. "Growth Effect of Public Debt: The Role of Government Effectiveness and Trade Balance."

<sup>72</sup> United Nations Conference on Trade and Development. "Current Challenges to Developing Country Debt Sustainability." UNCTAD/GDS/2018/2. May 2019.  
[https://unctad.org/en/PublicationsLibrary/gds2018d2\\_en.pdf](https://unctad.org/en/PublicationsLibrary/gds2018d2_en.pdf)

<sup>73</sup> United Nations Conference on Trade and Development. "Current Challenges to Developing Country Debt Sustainability." UNCTAD/GDS/2018/2. May 2019.

<sup>74</sup> United Nations Conference on Trade and Development. "Current Challenges to Developing Country Debt Sustainability." UNCTAD/GDS/2018/2.

<sup>75</sup> Harrigan, Jane, Chengang Wang, and Hamed El-Said. "The Economic and Political Determinants of IMF and World Bank Lending in the Middle East and North Africa." *World Development* 34, no. 2 (2006): 247–70.  
[https://assets.publishing.service.gov.uk/media/57a08c44e5274a31e00010e6/8182-Harrigan\\_Wang\\_jeanette\\_K\\_Jerratsch\\_Bastian1.pdf](https://assets.publishing.service.gov.uk/media/57a08c44e5274a31e00010e6/8182-Harrigan_Wang_jeanette_K_Jerratsch_Bastian1.pdf).

<sup>76</sup> Harrigan, Jane, Chengang Wang, and Hamed El-Said. "The Economic and Political Determinants of IMF and World Bank Lending in the Middle East and North Africa." *World Development* 34, no. 2 (2006): 247–70.  
[https://assets.publishing.service.gov.uk/media/57a08c44e5274a31e00010e6/8182-Harrigan\\_Wang\\_jeanette\\_K\\_Jerratsch\\_Bastian1.pdf](https://assets.publishing.service.gov.uk/media/57a08c44e5274a31e00010e6/8182-Harrigan_Wang_jeanette_K_Jerratsch_Bastian1.pdf).

<sup>77</sup> Harrigan, Jane, et. al. "The Economic and Political Determinants of IMF and World Bank Lending in the Middle East and North Africa." World Development.



varying fluctuations of their fiscal stability due to changes in oil prices and ongoing political instability.<sup>78</sup> While Gulf Coast Council (GCC) Member States were fiscally supported by their consistent oil exports, peripheral MENA states, such as Egypt, Jordan, and Lebanon, experienced increasing burdens on their abilities to stabilize their debt-to-GDP ratios.<sup>79</sup> As an example, Lebanon has been facing a debt crisis in 2020 as the Lebanese government defaulted payments on USD 3.9 Billion bonds from European banks, compounded with the COVID-19 crisis around the same time.<sup>80</sup>

A similar situation can be seen in sub-Saharan Africa (SSA).<sup>81</sup> A 2000 IMF report *External Debt and Capital Flight in Sub-Saharan Africa* asserted that many Member States in SSA relied on foreign investment in the first years after post-colonial rule, but the amount borrowed since then has burgeoned into becoming an unsustainable level of debt.<sup>82</sup> Despite financial aid from the IMF, SSA's average public debt experienced another growth trend, from 37 percent in 2012 to 56 percent in 2016, as reported in the 2018 WB report *Africa's Pulse*.<sup>83</sup> There has also been a major shift in the types of investments here, from a multilateral approach to bilateral deals with national governments.<sup>84</sup> Loans granted by governments rather than institutions have higher interest rates and tie the individual donor's geopolitical aspirations into the growth experienced by the recipient.<sup>85</sup>

Many member states do not qualify for aid from the typical sources such as the IMF and WB due to certain restrictions set by the institutions, such as current levels of debt, GDP growth, and human rights records.<sup>86</sup> This has led many states to pursue aid from sources with more flexible standards. These sources of aid often come from Member States with economic and political interests. The best example of this comes in the form of China's belt and road initiative. China has partnered with 138 Member States on infrastructure projects.<sup>87</sup> While many Member States have seen significant benefit from said projects, there have also been instances of China using this aid as leverage to pursue their own interests.<sup>88</sup> One example of this problem is the situation in Sri Lanka, where China became a favored lending partner under former President Mahinda Rajapaksa.<sup>89</sup> When Sri Lanka found itself unable to continue paying its debts to the government of China, Sri Lanka agreed to give China a lease on the Hambantota port.<sup>90</sup> This issue highlights the concern that there are far fewer protections for Member States who seek financial aid from other Member States rather than International Financial Institutions (IFIs).

### ***Actions Taken by United Nations***

<sup>78</sup> "The Great Plunge in Oil Prices: Causes, Consequences, and Policy Responses." Policy Research Note. Accessed June 19, 2020. <http://pubdocs.worldbank.org/en/339801451407117632/PRN01Mar2015OilPrices.pdf>.

<sup>79</sup> Rizk, Rola. 2003. "Fiscal and Debt Profile of the MENA Region." ERF Working Papers Series. Economic Research Forum. [https://erf.org.eg/wp-content/uploads/2017/04/0314\\_final.pdf](https://erf.org.eg/wp-content/uploads/2017/04/0314_final.pdf).

<sup>80</sup> Rickards, James. "Crisis in Lebanon." FDD, August 5, 2020. Accessed August 11, 2020. <https://www.fdd.org/analysis/2020/08/04/crisis-in-lebanon/>.

<sup>81</sup> Tait, Lauren, Abu Siddique, and Ishita Chatterjee. "Foreign Aid And Economic Growth In Sub-Saharan Africa." Economics Discussion / Working Papers. The University of Western Australia, Department of Economics, 2015.

<sup>82</sup> Ajayi, S. Ibi, and Mohsin S. Khan, eds. "External Debt and Capital Flight in Sub-Saharan Africa." International Monetary Fund, 2000. <https://www.imf.org/external/pubs/nft/2000/extdebt/>.

<sup>83</sup> Goldsmith, Courtney. "Is a New Debt Crisis Mounting in Africa?" World Finance.

<sup>84</sup> Goldsmith, Courtney. "Is a New Debt Crisis Mounting in Africa?" World Finance.

<sup>85</sup> Goldsmith, Courtney. "Is a New Debt Crisis Mounting in Africa?" World Finance.

<sup>86</sup> IMF Lending. (2020, March 27). Retrieved June 13, 2020, from <https://www.imf.org/en/About/Factsheets/IMF-Lending>

<sup>87</sup> Wang, Christoph. "Countries of the Belt and Road Initiative (BRI)." Green Belt and Road Initiative Center. Accessed August 11, 2020. <https://green-bri.org/countries-of-the-belt-and-road-initiative-bri>.

<sup>88</sup> Clarke, Michael. "Why Is There so Much Furore over China's Belt and Road Initiative?" The Conversation, July 14, 2020.

Accessed August 11, 2020. <https://theconversation.com/why-is-there-so-much-furore-over-chinas-belt-and-road-initiative-139461>.

<sup>89</sup> Abi-habib, Maria. "How China Got Sri Lanka to Cough Up a Port." The New York Times, June 25, 2018. Accessed August 11, 2020. <https://www.nytimes.com/2018/06/25/world/asia/china-sri-lanka-port.html>.

<sup>90</sup> Abi-habib, Maria. "How China Got Sri Lanka to Cough Up a Port." The New York Times.

In 2019, the UN General Assembly (GA)'s A/RES/74/203, *External debt sustainability and development*, was adopted by acclamation.<sup>91</sup> This resolution has been adopted yearly by the GA and includes the same general goals.<sup>92</sup> The document emphasizes a balance between the responsibility of the individual Member State to manage its own development and debt balance, as well as the global community's responsibility to help Member States in their time of financial need.<sup>93</sup> The resolution also recognized the factors which may cause a Member State to take on debt.<sup>94</sup> Additionally, the resolution expresses concern for rising corporate debt which may cause a Member State to become financially unstable and endanger the global economy, such as the cases of Latin America and Asia.<sup>95</sup>

UNCTAD also plays a role in the fight for the sustainable development of Member States indebted to foreign entities.<sup>96</sup> Each year, it is responsible for preparing the Report of the United Nations Secretary General on External Debt Sustainability and Development.<sup>97</sup> The report covers an array of topics relevant to Member State debt sustainability, including by drawing attention to the increasing occurrences of external debt crises, highlighting the implications of new challenges to developing Member States' external debt sustainability for sovereign debt restructuring.<sup>98</sup> The 2019 report highlighted the continued fragility and friction of the global economic system since the recession of the past decade and the ongoing trade wars amongst Member States.<sup>99</sup> However, the 2019 report also emphasized the critical importance of enhanced debt transparency to improve policy designs.<sup>100</sup> Therefore, it recommended initiatives should take place in both developing and developed Member States to scale up debt recording and reporting and establish a global coordination system for the delivery of advice, coordination, and technical assistance.<sup>101</sup>

Making matters worse, the current crisis concerning COVID-19 is beginning to put financial strain on all Member States regardless of their level of development.<sup>102</sup> The WB and International Monetary Fund (IMF) have called for deferring the debt payments of the most impoverished Member States.<sup>103</sup> Loan deferments though constitute only a short-term solution to a crisis. By some estimates, short-term deferments may cause more harm to eligible Member States if protections for increased loan payments after the deferment period are not implemented before the deadline on December 31, 2020.<sup>104</sup> Therefore, these loan deferments do not represent a long-term solution to the problem of great and growing sovereign debt.

## Conclusion

<sup>91</sup> A/RES/74/203. *External debt sustainability and development*. UN General Assembly. Accessed April 22, 2020. <https://undocs.org/en/A/RES/74/203>

<sup>92</sup> A/RES/74/203. *External debt sustainability and development*. UN General Assembly.

<sup>93</sup> A/RES/74/203. *External debt sustainability and development*. UN General Assembly.

<sup>94</sup> A/RES/74/203. *External debt sustainability and development*. UN General Assembly.

<sup>95</sup> A/RES/74/203. *External debt sustainability and development*. UN General Assembly.

<sup>96</sup> "Debt and Development Finances." UNCTAD. Accessed June 21, 2020. <https://debt-and-finance.unctad.org/Pages/Report-of-UN-Secretary-General-on-External-Debt-and-Development.aspx>.

<sup>97</sup> "Debt and Development Finances." UNCTAD.

<sup>98</sup> "Debt and Development Finances." UNCTAD.

<sup>99</sup> "External Debt Sustainability and Development: Report to the Secretary-General." United Nations General Assembly, A/74/234, July 26, 2019. [https://unctad.org/meetings/en/SessionalDocuments/a74d234\\_en.pdf](https://unctad.org/meetings/en/SessionalDocuments/a74d234_en.pdf) (accessed August 20, 2020)

<sup>100</sup> "External Debt Sustainability and Development," UNGA.

<sup>101</sup> "External Debt Sustainability and Development," UNGA.

<sup>102</sup> Kose, M. Ayhan, Franziska Ohnsorge, Peter Nagle, and Naotaka Sugawara. "Caught by a Cresting Debt Wave." *Finance & Development* 57, no. 2 (June 2020). Accessed August 11, 2020. <https://www.imf.org/external/pubs/ft/fandd/2020/06/COVID19-and-debt-in-developing-economies-kose.htm>.

<sup>103</sup> "World Bank/IMF Spring Meetings 2020: Development Committee Communiqué." World Bank, April 17, 2020. Accessed August 11, 2020. <https://www.worldbank.org/en/news/press-release/2020/04/17/world-bankimf-spring-meetings-2020-development-committee-communique>.

<sup>104</sup> Khan, Mishal, and Sarah Shanks. "Decolonising COVID-19: Delaying External Debt Repayments." *The Lancet Global Health* 8, no. 7 (June 1, 2020). Accessed August 11, 2020. [https://doi.org/10.1016/s2214-109x\(20\)30253-9](https://doi.org/10.1016/s2214-109x(20)30253-9).

In order for many LDCs and developing Member States to continue development on an upward trend without delving its economy deeper into external debt, more work must be done towards ensuring paths for debt forgiveness. One figure to monitor moving forward is the USD 7.8 Trillion dollar increase in external debt of low- and middle-income Member States reported in the *International Debt Statistics 2020* report.<sup>105</sup> Drastically decreasing this statistic in the coming years will serve well to ensure that Member States are not becoming more vulnerable to the economic stress coupled with hefty debts.<sup>106</sup> The international community should also take into consideration the issue of bilateral lending and the risks that it poses, such as lending from powerful states to the developing world. One prospective area of focus in the future may be on increased debt reporting and transparency which can help policy makers around the globe. Understanding the causes of past economic shocks is an important step towards implementing protections from future debt increases.

### ***Committee Directive***

The committee is tasked with proposing plausible development initiatives to decrease the burdens and hindrances that external debt might play on a Member State's development process. Delegates might start by asking themselves, how has increasing external debt affected their individual Member State? What policies might have negatively contributed to the Member State's economy, society, and development status? How can conflicts between large lenders be mitigated to protect recipients from financial exploitation? How can these answers best be translated to creating a global solution that may still factor in each Member State's unique situation? What, if any, level of debt servicing would be considered 'sustainable' for Member States that cannot hope to realistically finance their estimated SDG expenditures in the foreseeable future?<sup>107</sup>

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<sup>105</sup> "Debt Stocks of Developing Countries Rose to \$7.8 Trillion in 2018: World Bank International Debt Statistics." World Bank.

<sup>106</sup> "Debt Stocks of Developing Countries Rose to \$7.8 Trillion in 2018: World Bank International Debt Statistics." World Bank.

<sup>107</sup> Spratt, Stephen. "External Debt and the Millennium Development Goals: A New Sustainable Framework." January 2007. Accessed June 20, 2020. <https://www.cbd.int/financial/debtnature/g-debtmdg-undp.pdf>.

## II. The Role of Cities in Promoting Sustainable Development

### *Introduction*

By 2050, it is estimated that two-thirds of all humanity (approximately 6.5 billion people) are expected to live in urban areas.<sup>108</sup> The growth in urbanization is a direct result of an increasing global population and an influx in migration, and it has inevitably led to a rise in mega-cities, with slums becoming a prominent feature within urban life.<sup>109</sup> The United Nations Human Settlement Programme (UN-Habitat) refers to a slum as an urban area that may be lacking durable and adequate housing, sufficient living space, security of tenure (to prevent forceful evictions), and access to safe and affordable water and sanitation systems.<sup>110</sup> Mega-cities, which can especially be found within the developing world, are defined as having a populace of over 10 million or more people.<sup>111</sup> In 1990, there were only 10 cities around the world.<sup>112</sup> By 2020, the number of megacities worldwide reached 34.<sup>113</sup> In the coming decades it is expected that 90 percent of urban expansion will be in the developing world.<sup>114</sup> With such a significant increase in the population of people living in cities, it is clear that sustainable development cannot be accomplished in the long run without first significantly changing the way Member States are able to build and manage their urban spaces.<sup>115</sup>

Sustainable Cities and Communities, Goal 11 of the United Nations (UN) Sustainable Development Goals (SDGs), remains a chief focus for the UN and the United Nations Development Programme (UNDP).<sup>116</sup> At the forefront of addressing this challenging goal, the UNDP has played a central role, exercising a critical advisory role in driving the SDG agenda, building off of frameworks citing each Member States' respective contexts and priorities, and helping coordinate UN system implementations at the individual Member State level.<sup>117</sup> Still, with the challenges posed by least developed countries (LDCs), the rise of slums, and the increasing threats caused by the effects of climate change, there is much to be done with the role of cities in promoting effective and sustainable development.<sup>118</sup>

### *History*

The 1987 report from the World Commission on Environment and Development, known as the Brundtland Commission, defined "sustainable development as advancement which meets the needs of the present without compromising the capability of future generations to be able to meet their respective needs."<sup>119</sup> In 1991, UN-Habitat set out to define a sustainable city as a city where, "achievements in social, economic

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<sup>108</sup> "Goal 11: Sustainable Cities and Communities." UNDP. Accessed June 6, 2020.

<https://www.undp.org/content/undp/en/home/sustainable-development-goals/goal-11-sustainable-cities-and-communities.html>.

<sup>109</sup> "Goal 11: Sustainable Cities and Communities." UNDP.

<sup>110</sup> "Slum: Some Definitions." State of the World's Cities 2006/7. UN-HABITAT. Accessed June 6, 2020.

[https://mirror.unhabitat.org/documents/media\\_centre/sowcr2006/SOWCR\\_5.pdf](https://mirror.unhabitat.org/documents/media_centre/sowcr2006/SOWCR_5.pdf).

<sup>111</sup> "MEGACITY: Definition in the Cambridge English Dictionary." MEGACITY | Definition in the Cambridge English Dictionary. Accessed July 22, 2020. <https://dictionary.cambridge.org/us/dictionary/english/megacity>.

<sup>112</sup> "Goal 11: Sustainable Cities and Communities." UNDP.

<sup>113</sup> "Megacity." Megacity - Designing Buildings Wiki, June 26, 2020.

<https://www.designingbuildings.co.uk/wiki/Megacity>.

<sup>114</sup> "Goal 11: Sustainable Cities and Communities." UNDP. Accessed June 6, 2020.

<https://www.undp.org/content/undp/en/home/sustainable-development-goals/goal-11-sustainable-cities-and-communities.html>.

<sup>115</sup> "Goal 11: Sustainable Cities and Communities." UNDP.

<sup>116</sup> "Background of the Sustainable Development Goals," UNDP, accessed June 6, 2020,

<https://www.undp.org/content/undp/en/home/sustainable-development-goals/background.html>.

<sup>117</sup> "FAQs." UNDP. Accessed June 6, 2020. <https://www.undp.org/content/undp/en/home/about-us/faqs.html>.

<sup>118</sup> "Goal 11: Sustainable Cities and Communities." UNDP. Accessed June 6, 2020.

<https://www.undp.org/content/undp/en/home/sustainable-development-goals/goal-11-sustainable-cities-and-communities.html>.

<sup>119</sup> "Towards Sustainable Cities." United Nations. Accessed July 22, 2020.

[https://www.un.org/en/development/desa/policy/wess/wess\\_current/wess2013/Chapter3.pdf](https://www.un.org/en/development/desa/policy/wess/wess_current/wess2013/Chapter3.pdf).

and physical development are made to last.”<sup>120</sup> The concepts of sustainable cities and sustainable development have been discussed since the early 1990s.<sup>121</sup> The first ideas of the concept of city sustainability occurred during the Rio de Janeiro Conference on Environment and Development in 1992.<sup>122</sup> The resulting 1992 Rio Declaration sought to integrate the economic, environmental, social, and governmental dimensions of sustainability and promote the eradication of unsustainable patterns inherent in cities.<sup>123</sup>

In 2000, the UN adopted the Millennium Development Goals (MDGs) to spur human development in the 21st century.<sup>124</sup> MDG7’s target 11 called for an improvement in the lives of at least 100 million slum dwellers by the year 2020.<sup>125</sup> Despite this, due to the unprecedented effects of rapid urbanization, especially in developing Member States, seen in the 1990s and 2000s and growing concerns over climate change in the years following the MDGs, the UN’s focus on sustainable development for cities and communities truly took off following the inception of the SDGs.<sup>126</sup>

### ***Current Situation***

In 2008, the global urban population outnumbered the rural population for the first time in history, marking the advent of the new ‘urban millennium’ we see today.<sup>127</sup> Although cities occupy just three percent of the Earth’s land, urban growth contributes to 70 percent of the world’s greenhouse gas emission and consumes two-thirds of all used energy.<sup>128,129</sup> In turn, the effects of climate change affects how cities choose to manage their resources, including energy production, food and water access, and infrastructure.<sup>130</sup> As the Earth’s climate continues to shift towards irreversible damage, it is important for cities to adapt in order to meet the demands and challenges of the future.<sup>131</sup>

In 2016, during the UN Habitat’s Habitat III Conference, the New Urban Agenda was created, which set out to establish national and local guidelines on the development and growth of cities through 2036.<sup>132</sup> The vision of the New Urban Agenda has been for all people to have equal rights and access to the opportunities and benefits that cities offer.<sup>133</sup> The agenda takes on an optimistic approach of using cities as tools and

<sup>120</sup> “Towards Sustainable Cities.” United Nations. Accessed July 22, 2020.

[https://www.un.org/en/development/desa/policy/wess/wess\\_current/wess2013/Chapter3.pdf](https://www.un.org/en/development/desa/policy/wess/wess_current/wess2013/Chapter3.pdf).

<sup>121</sup> “Towards Sustainable Cities.” United Nations. Accessed July 22, 2020.

<sup>122</sup> “Towards Sustainable Cities.” United Nations. Accessed July 22, 2020.

<sup>123</sup> “Towards Sustainable Cities.” United Nations. Accessed July 22, 2020.

<sup>124</sup> “The Millennium Development Goals Report 2015.” United Nations. Accessed July 22, 2020.

[https://www.un.org/millenniumgoals/2015\\_MDG\\_Report/pdf/MDG%202015%20rev%20\(July%201\).pdf](https://www.un.org/millenniumgoals/2015_MDG_Report/pdf/MDG%202015%20rev%20(July%201).pdf).

<sup>125</sup> “The Millennium Development Goals Report 2015.” United Nations.

<sup>126</sup> “URBANIZATION: EXPANDING OPPORTUNITIES BUT DEEPER DIVIDES.” INEQUALITY IN A RAPIDLY CHANGING WORLD. UN-HABITAT. Accessed July 22, 2020.

<https://www.un.org/development/desa/dspd/wp-content/uploads/sites/22/2020/02/World-Social-Report-2020-Chapter-4.pdf>.

<sup>127</sup> “Sustainable Cities and Human Settlements: Sustainable Development Knowledge Platform.” Sustainable Development Goals. United Nations. Accessed July 20, 2020.

<https://sustainabledevelopment.un.org/topics/sustainablecities>.

<sup>128</sup> “Goal 11: Sustainable Cities and Communities.” UNDP. Accessed June 6, 2020.

<https://www.undp.org/content/undp/en/home/sustainable-development-goals/goal-11-sustainable-cities-and-communities.html>.

<sup>129</sup> Leighton, Heather. “How Climate Change Is Going to Affect Cities, Urban Spaces.” The Kinder Institute for Urban Research, September 3, 2019. Accessed April 29, 2020. <https://kinder.rice.edu/urbanedge/2019/09/03/how-climate-change-going-change-cities-urban-spaces>.

<sup>130</sup> Leighton, Heather. “How Climate Change Is Going to Affect Cities, Urban Spaces.” The Kinder Institute for Urban Research.

<sup>131</sup> “Goal 11: Sustainable Cities and Communities.” UNDP. Accessed June 6, 2020.

<https://www.undp.org/content/undp/en/home/sustainable-development-goals/goal-11-sustainable-cities-and-communities.html>.

<sup>132</sup> “The New Urban Agenda.” Habitat III. Accessed July 22, 2020. <http://habitat3.org/the-new-urban-agenda/>.

<sup>133</sup> “The New Urban Agenda.” Habitat III. Accessed July 22, 2020

solutions for a more sustainable future, rather than viewing them as the causes of the challenges the international community sees today.<sup>134</sup>

While cities are often considered lands of opportunity, spatial inequality has nevertheless become a divisive issue in current times.<sup>135</sup> The term, “spatial,” refers to the physical space occupied by people in a given area.<sup>136</sup> Therefore, in this context, spatial inequality relates to the issue of resources being unfairly or unevenly distributed within a certain space.<sup>137</sup> This often means that poorer neighborhoods are much less likely to have the same access and quality of resources as wealthier neighborhoods within the same city, thereby perpetuating its occupants into a vicious cycle of poverty.<sup>138</sup> Today, this is reflected in wealthy cities around the world where the super-rich live just miles away from slums and urban squalor.<sup>139</sup> Without equal access to adequate healthcare, residents of poorer neighborhoods are more likely to suffer from preventable diseases for which their wealthier counterparts may receive proper treatment.<sup>140</sup> As a result, rampant poverty is one of the greatest inherent hurdles in the push to create sustainable cities for all.<sup>141</sup>

In the next few decades, nine out of 10 mega-cities and 90 percent of urban expansion will be in the developing world.<sup>142</sup> However, for LDCs and developing Member States, these mega-cities are often riddled with the presence of slums.<sup>143</sup> It has been a goal of the UN to upgrade slums through the Participatory Slum Upgrading Programme (PSUP). The PSUP program sought to raise awareness, acquired feedback, identified challenges and prioritized projects and goals, and fostered inclusion in improving slums to become better areas within cities.<sup>144</sup> In addition to UNDP’s work, a number of Member States have taken their own initiative in replicating and enabling their own PSUP approach.<sup>145</sup> Specifically, the towns of Eldoret and Nakuru in Kenya have devised their own plans based on PSUP and have been working on implementing them.<sup>146</sup>

In 2020, the milestone 10th annual World Urban Forum was held in Abu Dhabi with climate change mitigation at the center of the discussion.<sup>147</sup> The World Urban Forum is an annual international forum dedicated to finding sustainable solutions for urban living.<sup>148</sup> Branding itself as, “the world’s premier conference on cities,” WUF10 hosted representatives from 168 Member States who came together to learn

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<sup>134</sup> “The New Urban Agenda.” Habitat III. Accessed July 22, 2020.

<sup>135</sup> “URBANIZATION: EXPANDING OPPORTUNITIES BUT DEEPER DIVIDES.” INEQUALITY IN A RAPIDLY CHANGING WORLD. UN-HABITAT. Accessed July 22, 2020. <https://www.un.org/development/desa/dspd/wp-content/uploads/sites/22/2020/02/World-Social-Report-2020-Chapter-4.pdf>.

<sup>136</sup> “Spatial.” Merriam-Webster. Merriam-Webster. Accessed July 22, 2020. <https://www.merriam-webster.com/dictionary/spatial>.

<sup>137</sup> Kanbur, Ravi. “Spatial Inequality and Development: An Overview of UNU-WIDER Project.” GSDRC, January 1, 1970. <https://gsdrc.org/document-library/spatial-inequality-and-development-an-overview-of-unu-wider-project/>.

<sup>138</sup> “SDGs Today: Chapter 3: The Details” United Nations Development Programme, <https://sdgs.undp.org/2019-inequality/en/the-details.html>.

<sup>139</sup> “The Challenge of Slums.” Global Report on Human Settlement 2003. UN-HABITAT. Accessed 2003. <https://www.un.org/ruleoflaw/files/Challenge%20of%20Slums..>

<sup>140</sup> “SDGs Today: Chapter 3: The Details” United Nations Development Programme.

<sup>141</sup> “SDGs Today: Chapter 3: The Details” United Nations Development Programme.

<sup>142</sup> “Goal 11: Sustainable Cities and Communities.” UNDP. Accessed June 6, 2020. <https://www.undp.org/content/undp/en/home/sustainable-development-goals/goal-11-sustainable-cities-and-communities.html>.

<sup>143</sup> “The Challenge of Slums.” Global Report on Human Settlement 2003. UN-HABITAT. Accessed 2003. <https://www.un.org/ruleoflaw/files/Challenge%20of%20Slums..>

<sup>144</sup> “HABITAT.: Participatory Slum Upgrading Programme: Achievements.” UN. Accessed June 6, 2020. <https://mirror.unhabitat.org/content.asp?typeid=19&catid=592&cid=11015>.

<sup>145</sup> “HABITAT.: Participatory Slum Upgrading Programme: Achievements.” UN.

<sup>146</sup> “HABITAT.: Participatory Slum Upgrading Programme: Achievements.” UN.

<sup>147</sup> Laura, Hammett. “The Role of Cities in a Climate-Resilient Future.” UNDP, February 10, 2020. Accessed April 29, 2020. <https://www.undp.org/content/undp/en/home/blog/2020/the-role-of-cities-in-a-climate-resilient-future.html>.

<sup>148</sup> “Welcome to WUF10: World Urban Forum.” World Urban Forum. Accessed April 29, 2020. <https://wuf.unhabitat.org/node/145>.



more about the pressing issues facing cities.<sup>149</sup> During the forum, the Cities Investment Platform (CIP) was hosted, with the goal of connecting cities across the globe with sustainable development projects and commercial and private investors.<sup>150</sup> The CIP has since allowed investors to continue their interactions past the forum and lay the groundwork for potential projects related to sustainable finance for Member States.<sup>151</sup> The CIP has further worked with non-governmental organizations such as the Global Development Incubator and United World Infrastructure in helping making these development projects feasible for all.<sup>152</sup>

## Case Studies

### *Tokyo, Japan*

Tokyo has been ranked as Asia's top smart city thanks to its multi-faceted strategy.<sup>153</sup> Blending traditional Japanese views of societal cohesion and modern technological advances, Tokyo's smart city approach adopted a policy to address social ills affecting growth.<sup>154</sup> The city's policy is influenced by the national initiative known as "Society 5.0," which incorporates human-focused technology to include everyone in the nation's progress, especially the large aging population and rural citizens.<sup>155</sup> In the most recent generation of development, partially inspired by the devastating 2011 tsunami, Japan has incorporated "smart grids" to help the country mitigate future natural disasters.<sup>156</sup> Smart grids are meant to protect the country's power grid from sabotage by natural disasters, thereby creating a more resilient energy source and reducing the overall costs of damages.<sup>157</sup> In 2016, the Tokyo Metropolitan Government enacted the, "New Tokyo. New Tomorrow. The Action Plan for 2020," as a four-year multi-purpose initiative to create a more sustainable city.<sup>158</sup> A "New Tokyo," as outlined in the plan, would be a safe, diverse, and technologically smart city with a human focus.<sup>159</sup> The plan outlines the building of an earthquake resilient city, the enhancement of community disaster preparedness, bolstering counterterrorism measures, and promoting a universal city design to benefit a variety of different peoples, including improved accessibility for children and people with disabilities, and decreasing unemployment.<sup>160</sup>

### *Reykjavik, Iceland*

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<sup>149</sup> "Welcome to WUF10: World Urban Forum." World Urban Forum.

<sup>150</sup> "Cities Investment Platform: World Urban Forum." Cities Investment Platform | World Urban Forum. UN-HABITAT. Accessed July 22, 2020. <https://wuf.unhabitat.org/page/cities-investment-platform>.

<sup>151</sup> "Cities Investment Platform: World Urban Forum." Cities Investment Platform | World Urban Forum. UN-HABITAT.

<sup>152</sup> "Cities Investment Platform: World Urban Forum." Cities Investment Platform | World Urban Forum. UN-HABITAT.

<sup>153</sup> Cities in Motion, Pedro says: and Gómara says: "IESE Cities in Motion Index 2019." Cities in Motion. Accessed July 22, 2020. <https://blog.iese.edu/cities-challenges-and-management/2019/05/10/iese-cities-in-motion-index-2019/>.

<sup>154</sup> Buntz, Brian. "In Japan, Smart City Projects Have a Social Dimension." IoT World Today, February 26, 2020. Accessed April 27, 2020. <https://www.iotworldtoday.com/2020/02/26/in-japan-smart-city-projects-have-a-social-dimension/>.

<sup>155</sup> Buntz, Brian. "In Japan, Smart City Projects Have a Social Dimension." IoT World Today.

<sup>156</sup> Poh Ai Ling, Amy, Sugihara Kokichi, and Mukaidono Masao. "The Japanese Smart Grid Initiatives, Investments, and Collaborations." (IJACSA) International Journal of Advanced Computer Science and Applications, 2012. <https://arxiv.org/pdf/1208.5394.pdf>.

<sup>157</sup> Dong, Fang, and Randall Wong. "Inside Japan: Visiting Tokyo As Part Of The Smart City Innovation Tour." Medium. MING Labs, July 10, 2019. <https://medium.com/ming-labs/inside-japan-visiting-tokyo-as-part-of-the-smart-city-innovation-tour-16b504abb14f>

<sup>158</sup> "New Tokyo. New Tomorrow. The Action Plan for 2020." Tokyo Metropolitan Government. Accessed April 27, 2020. <https://www.metro.tokyo.lg.jp/english/about/plan/index.html>.

<sup>159</sup> "New Tokyo. New Tomorrow. The Action Plan for 2020." Tokyo Metropolitan Government.

<sup>160</sup> "New Tokyo. New Tomorrow." The Action Plan for 2020. Tokyo Metropolitan Government. Accessed July 22, 2020. [https://www.seisakukikaku.metro.tokyo.lg.jp/en/basic-plan/actionplan-for-2020/pdf/pocket\\_english.pdf](https://www.seisakukikaku.metro.tokyo.lg.jp/en/basic-plan/actionplan-for-2020/pdf/pocket_english.pdf).

Reykjavik, Iceland, is one of the smallest smart cities in the world with a population of just 115,000.<sup>161</sup> At present, Reykjavik takes advantage of its proximity to hydropower and geothermal sources to get its energy, almost completely reducing its reliance on fossil fuels and supporting the city's goal to become a completely hydrogen-reliant city by 2050.<sup>162</sup> The city also plans to create a more efficient public transit system, with the intention of reducing the percentage of vehicles in operation.<sup>163</sup> In 2014, 18 percent of Icelandic citizens used public transportation, with statistics indicating little discrepancy between economic classes.<sup>164</sup> Additionally, by reducing its urban sprawl, Reykjavik looks to better maintain its carbon emissions by making things more accessible by foot or bus.<sup>165</sup> Small Member States, namely those with populations of 1.5 million or less, are particularly vulnerable to drastic changes, such as natural disasters and shocks in the global economy.<sup>166</sup> The example of Reykjavik and Iceland as a whole is a positive sign that small states can benefit from innovation.<sup>167</sup> Due to their size, small Member States, are extremely adaptable to new technological experience, and even the smallest of projects may impact a larger portion of the population than they could in larger Member States.<sup>168</sup>

### *Curitiba, Brazil*

Located in Parana State, Curitiba adopted the Master Plan for Curitiba, an urban development initiative backed by the city's first urban planning department in 1968. Since then, Curitiba has implemented a number of innovative systems in order to create jobs, improve accessibility to public transportation, improve waste management, and promote housing development.<sup>169</sup> Among the plan and department's achievements was the creation of Rua Quinze de Novembro in the 1970s — known as the heart of commercial Curitiba, and Brazil's first pedestrian-only street.<sup>170</sup> Throughout the 1980s, Curitiba implemented a number of eco-friendly programs: the incorporation of "green areas," protected from future development, and a number of parks dedicated to the city's various ethnic and immigrant groups; the expansion of the city's transportation systems; a citywide recycling program; and the establishment of regional administrations to decentralize the government.<sup>171</sup> The city has also implemented a "radial liner-branching pattern" to help protect density through diverting traffic from the city's center and by protecting green areas by encouraging industrial development to occur along radial axes.<sup>172</sup> Further, the city of Curitiba established the Curitiba Industrial City (CIC) with strict environmental regulations (such as a zero-tolerance policy for polluting industries), and initiated a Bus Rapid Transit System to promote accessible public transportation.<sup>173</sup> As a result, the city boasts a three percent lower fuel usage compared to Brazil's

<sup>161</sup> Trimarchi, Maria, and Jacob Clifton. "10 Amazing Green Cities: Iceland." HowStuffWorks, January 27, 2020. Accessed April 27, 2020. <https://science.howstuffworks.com/environmental/green-science/five-amazing-green-cities10.htm>.

<sup>162</sup> Trimarchi, Maria, and Jacob Clifton. "10 Amazing Green Cities: Iceland." HowStuffWorks.

<sup>163</sup> "Reykjavik and Climate." City of Reykjavik, September 30, 2019. Accessed April 27, 2020. <https://reykjavik.is/en/reykjavik-and-climate>.

<sup>164</sup> Manning, Anna. "From Iceland - 17.8% Of People Living In Iceland Use Public Transport, And It's Not Only Who You Think." The Reykjavik Grapevine, May 4, 2015. Accessed April 27, 2020. <https://grapevine.is/news/2015/05/04/17-8-of-people-living-in-iceland-use-public-transport-and-its-not-only-who-you-think/>.

<sup>165</sup> Boztas, Senay. "Reykjavik: the Geothermal City That Aims to Go Carbon Neutral." The Guardian. Guardian News and Media, October 3, 2016. Accessed April 27, 2020. <https://www.theguardian.com/sustainable-business/2016/oct/03/reykjavik-geothermal-city-carbon-neutral-climate>.

<sup>166</sup> "The World Bank In Small States." World Bank, October 10, 2019. Accessed April 27, 2020. <https://www.worldbank.org/en/country/smallstates/overview>.

<sup>167</sup> Boztas, Senay. "Reykjavik: the Geothermal City That Aims to Go Carbon Neutral." The Guardian. Guardian News and Media, October 3, 2016. Accessed April 27, 2020. <https://www.theguardian.com/sustainable-business/2016/oct/03/reykjavik-geothermal-city-carbon-neutral-climate>.

<sup>168</sup> Handforth, Calum. "How Small States Can Benefit from Innovation." United Nations Development Programme.

<sup>169</sup> "Sustainable Urban Planning (Curitiba City)." Sustainable Development Goals. United Nations. Accessed July 22, 2020. <https://sustainabledevelopment.un.org/index.php?page=view&type=99&nr=57&menu=1449>.

<sup>170</sup> "FRONTLINE/WORLD Fellows . Brazil - Curitiba's Urban Experiment . Master Plan: History." PBS.

<sup>171</sup> "FRONTLINE/WORLD Fellows . Brazil - Curitiba's Urban Experiment . Master Plan: History." PBS.

<sup>172</sup> "Sustainable Urban Planning (Curitiba City)." Sustainable Development Goals. United Nations.

<sup>173</sup> "Sustainable Urban Planning (Curitiba City)." Sustainable Development Goals. United Nations.

other major cities, improved air quality, reduced flood mitigation expenditures, 70 percent of citizens as activate recyclers, with 13 percent of solid waste recycled, 50,000 direct jobs and 150,000 indirect jobs, and approximately 20 percent of Parana State's exports coming from the CIC.<sup>174</sup>

### *Actions Taken by the United Nations*

The UN and UNDP have worked jointly towards the global improvement of urban dwellings, most particularly through the joint UNDP-UN Environment National Adaptation Plan Global Support Programme (NAP-GSP).<sup>175</sup> NAP-GSP focuses on LDCs and developing Member States to identify technical, institutional, and financial needs affecting climate change adaptation into both medium and long-term national planning and financing opportunities.<sup>176</sup> The NAP-GSP's intent is to be a supplement for national plans already in place, rather than a stand-alone or total replacement plan.<sup>177</sup> The NAP-GSP works with various development partners to establish funding estimates, or National Determined Contributions (NDCs), and promotes actions for alignment with the SDGs.<sup>178</sup> The NAP-GSP has supported approximately 59 Member States within four regions alongside 15 partners over the last five years.<sup>179</sup> One example of a Member State impacted by the NAP-GSP is Uganda.<sup>180</sup> Uganda's path for a sustainable future takes into consideration its own climate adaption and mitigation action plans.<sup>181</sup> Uganda has two main approaches in the NAP-GSP process: 1) allowing individual sectors to create their own NAPs, or 2) having different sectors merge their individual NAPs with one another, thereby creating an overarching 'National NAP'.<sup>182</sup> The UNDP has supported Uganda in achieving this, with implementation support to the Green Climate Fund (GCF) as it seeks to accomplish its goal of building Resilient Communities, Wetland Ecosystems, and Associated Catchments in Uganda.<sup>183</sup>

Within the UNDP, UNDP China has launched a program to help citizens become more involved in the smart city development process.<sup>184</sup> Currently being practiced in two neighborhoods in the city of Guiyang, the Social Governance Guide (SGG) is a participatory program for citizens and stakeholders to report social indicators, such as housing affordability and availability, transportation availability, accessibility of healthcare and education, and safety and environmental quality, to city leaders for more efficient community planning and development.<sup>185</sup> The SGG touches on the key importance of urban governance as outlined in high-level urban development policy documents such as in the UN-Habitat's third *New Urban Agenda* and China's *New-type Urbanisation Plan (2014-2020)*.<sup>186</sup> A strong emphasis of the guides is

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<sup>174</sup> "Sustainable Urban Planning (Curitiba City)." Sustainable Development Goals. United Nations.

<sup>175</sup> National Adaptation Global Support Programme. Accessed June 6, 2020.

<sup>176</sup> National Adaptation Global Support Programme. Accessed June 6, 2020.

<sup>177</sup> McGray, Heather. "Clarifying the UNFCCC National Adaptation Plan Process." World Resources Institute.

<sup>178</sup> National Adaptation Global Support Programme. Accessed June 6, 2020.

<https://www.globalsupportprogramme.org/nap-gsp>.

<sup>179</sup> National Adaptation Global Support Programme. Accessed June 6, 2020.

<https://www.globalsupportprogramme.org/nap-gsp>.

<sup>180</sup> "Experiences from Uganda's National Adaptation Plans' Process." Experiences from Uganda's National Adaptation Plans' Process | National Adaptation Global Support Programme, March 31, 2020. Accessed July 22, 2020.

<https://www.globalsupportprogramme.org/node/6058>.

<sup>181</sup> "Experiences from Uganda's National Adaptation Plans' Process." Experiences from Uganda's National Adaptation Plans' Process | National Adaptation Global Support Programme, March 31, 2020.

<sup>182</sup> "Experiences from Uganda's National Adaptation Plans' Process." Experiences from Uganda's National Adaptation Plans' Process | National Adaptation Global Support Programme, March 31, 2020.

<sup>183</sup> "Experiences from Uganda's National Adaptation Plans' Process." Experiences from Uganda's National Adaptation Plans' Process | National Adaptation Global Support Programme, March 31, 2020.

<sup>184</sup> "The Launch of UNDP Smart Cities and Social Governance Guide to Participatory Indicator Development." United Nations Development Programme in China. Accessed April 28, 2020.

<https://www.cn.undp.org/content/china/en/home/presscenter/pressreleases/2017/05/26/the-launch-of-undp-smart-cities-and-social-governance-guide-to-participatory-indicator-development.html>.

<sup>185</sup> "The Launch of UNDP Smart Cities and Social Governance Guide to Participatory Indicator Development." United Nations Development Programme in China.

<sup>186</sup> United Nations Development Programme (UNDP) China, and UNDP-China. "Smart Cities and Social Governance: Guide for Participatory Indicator Development." Issuu, May 28, 2017. [https://issuu.com/undp-china/docs/smart\\_cities\\_and\\_social\\_governance](https://issuu.com/undp-china/docs/smart_cities_and_social_governance).

employing a human focus on smart city development, while utilizing technology as a way for individuals to share their ideas with community leaders.<sup>187</sup> The goal is to use programs such as the SGG to transform the way that government-citizen interactions are conducted, especially in regards to promoting sustainable development for all within their cities.<sup>188</sup> Although the main product of the SGG program is an indicator system, its use can be evident in various contexts, such as in urban development, social policy planning, and city budgeting.<sup>189</sup>

## ***Conclusion***

With an expected increase in urban population, migration, mega-cities, and slums, there is an increased need for changing the way Member States build and manage their urban spaces.<sup>190</sup> As one of the primary bodies tasked with promoting sustainable development for all, the UNDP and its partners must work together to ensure inclusivity and accessibility for all Member States. Considering the unique challenges and conditions faced by cities should be a top priority, as there is no one solution that will be the best for each city. From Tokyo to Curitiba, the way cities face down the issue of developing sustainable answers to the problem of rapid urbanization are as diverse as they are. If well-managed and planned properly, urbanization can become a powerful tool for sustainable developing in both LDCs and developing Member States.<sup>191</sup>

## ***Committee Directive***

The purpose of this committee is to highlight how the role of cities can manage to address key issues and barriers facing sustainable development moving through and past the 21<sup>st</sup> century. The body is tasked to prioritize the inclusion of all Member States when drafting initiatives to solve these problems. Just as there is a role for cities to contribute to the greater goal of sustainable development within Member States, it is the goal of each respective Member State to work together on these initiatives to bolster greater sustainable development on a global scale. Despite this major goal, it is also the body's responsibility to respect and take into consideration national, cultural, religious, geographical, and other such differences in Member States, especially when contemplating broader approaches to these issues. The committee is encouraged to consider both small-scale initiatives and contributions as well as larger, national and multinational approaches when proposing resolutions in an effort to foster all-encompassing and inclusive change.

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<sup>187</sup> "The Launch of UNDP Smart Cities and Social Governance Guide to Participatory Indicator Development." United Nations Development Programme in China. Accessed April 28, 2020.

<sup>188</sup> "The Launch of UNDP Smart Cities and Social Governance Guide to Participatory Indicator Development." United Nations Development Programme in China.

<sup>189</sup> United Nations Development Programme (UNDP) China, and UNDP-China. "Smart Cities and Social Governance: Guide for Participatory Indicator Development." Issuu, May 28, 2017. [https://issuu.com/undp-china/docs/smart\\_cities\\_and\\_social\\_governance-](https://issuu.com/undp-china/docs/smart_cities_and_social_governance-)

<sup>190</sup> "Goal 11: Sustainable Cities and Communities." UNDP. Accessed June 6, 2020. <https://www.undp.org/content/undp/en/home/sustainable-development-goals/goal-11-sustainable-cities-and-communities.html>.

<sup>191</sup> "The New Urban Agenda." Habitat III. Accessed July 22, 2020

## Annotated Bibliography

### I. Addressing Growing Levels of Sovereign Debt Related to Development Financing

Boggs Davidsen, Elizabeth. "Connecting the Bond Market to Social Impact." United Nations Development Programme, January 23, 2020.  
<https://www.undp.org/content/undp/en/home/blog/2020/connecting-the-bond-market-to-social-impact.html>.

The United Nations Development Programme (UNDP) highlighted the importance of "use-of-proceed bonds," a sustainable and holistic funding source used by investors to use for future investments. For example, there is a specific type of bond to pursue climate change action, which can be especially beneficial for the working poor who will be most impacted by the devastating effects of climate disaster. Other bonds can be used to pursue other causes related to the Sustainable Development Goals (SDGs). The UNDP created these bonds as a way to push capital towards causes which require action in the immediate future. Member States in the UNDP are encouraged to learn more about use-of-proceed bonds when researching financial options for proposed solutions.

Butkus, Mindaugas, and Janina Seputiene. "Growth Effect of Public Debt: The Role of Government Effectiveness and Trade Balance." *Economies* 6, no. 4 (November 23, 2018): 1–27.  
<https://doi.org/10.3390/economies6040062>.

The phenomenon of debt threshold levels, which determines the appropriate level of debt before economic growth is negatively affected, was investigated and detailed in this article. While the idea has a great deal of support in its validity, the level of debt changes depending on certain internal factors affecting individual Member States. The authors focused on government institutional quality and trade balances to determine how this level varies case-by-case. They point to several studies showing that the threshold is much higher for developed Member States (greater than 90 percent of GDP) than developing Member States (greater than 30-40 percent of GDP). For their study, the authors used these numbers as their basis and included analyses of political factors affecting how susceptible Member States are to threshold changes. They assert that higher corruption levels lead to greater amounts of irresponsible borrowing and mismanaged public spending. Likewise, corrupt governments are less likely to put spending towards productive projects. When researching public debt, Member States are encouraged to find their own public debt threshold and seek options for mitigating the issue.

Gómez-Puig, Marta, and Simón Sosvilla-Rivero. 2017. "Public debt and economic growth: Further evidence for the Euro area." Research Institute of Applied Economics, Universitat de Barcelona.  
[http://www.ub.edu/irea/working\\_papers/2017/201715.pdf](http://www.ub.edu/irea/working_papers/2017/201715.pdf).

The authors conducted addressed the sovereign debt growth in the European Union (EU), specifically for Member States using the common currency, the Euro. This article covers the study of six economically-central Member States and five economically-peripheral Member States. Peripheral Member States (which, for this study, includes Greece, Italy, and Spain) have experienced more detrimental effects due to changes in Euro financial policy over the past decade. On the other hand, central Member States (which, for this study, includes Austria, Finland, and the Netherlands) have felt significantly less of an impact from the policy changes. Similar to the previous entry, the authors address the individual debt threshold levels for each Member State to determine how they have been affected by growing public debt. The article finds varying levels of debt-to-GDP ratios that seemed to depend more on rates of borrowing rather than the Member State's status in the EU. Nevertheless, along with the previous entry, these two sources are a useful foundation for Member States to begin investigating public debt, both within their own borders and on a global scale.

Kellett, Jan. "Overcoming Roadblocks to Insurance, Risk Finance, and Development." United Nations



Development Programme, October 10, 2019.

<https://www.undp.org/content/undp/en/home/blog/2019/overcoming-roadblocks-to-insurance--risk-finance-and-development.html>.

The UNDP outlines the logistics of providing insurance for citizens in developing Member States at risk of climate change. Insurance can be seen as a positive investment to improve infrastructure on multiple aspects of life in developing Member States. However, this is a difficult task because many developing Member States have no framework to address this need. Developing Member States who are affected by natural and medical disasters often face difficult recoveries due to the lack of financing. The insurance gap is increasingly widening between the developing and developed worlds. Several initiatives, such as the Insurance Development Forum, have been created to meet the established goal of 500 million extra beneficiaries by the year 2025. Member States are encouraged to seek microfinancing options to insure protection to their citizens against costly disasters.

“SDGs Today: Chapter 3: The Details” United Nations Development Programme,

<https://sdgs.undp.org/2019-inequality/en/the-details.html>.

The UNDP created a list to present the statistics of four levels of inequality: economic, resource, spatial, and gender. Economic inequality shows that a small minority of billionaires own more wealth than almost half the world’s population. While economic inequality exposes financial gaps, resource inequality exposes differences in the quality of life between the ultra-rich and the extreme-poor. Both of these come together to expose spatial inequality, the process of unequally distributing resources in the same area. Poorer neighborhoods do not receive the same resources as richer neighborhoods, trapping the working poor in an inescapable cycle of poverty. Lastly, gender inequality shows that, even amongst developing areas, men receive a wider proportion of power and resources than women. Member States should address these inequalities when researching solutions to present to the committee.

## **II. The Role of Cities in Promoting Sustainable Development**

“Urban Growth in Developing Countries.” (Re)sources, August 22, 2016, <http://www.thinktank-resources.com/en/themes/urban%20growth>.

This article explains the current trends in rapid urbanization and the problems it can present. One of the biggest challenges facing new cities in developing Member States is the fear of food and water insecurity. Rapid urbanization can lead to resource shortages caused by overcrowding, poverty, and improper city planning. At the current pace, many cities in the developing world are faced with this problem. Therefore, long-term sustainable practices are required to maximize the benefits of urban living. Effective land-use policies would enable an efficient allocation of resources for the working poor moving into cities, which would in turn help lift them from poverty and reduce crime. All Member States, especially in the developing world, should re-evaluate their urban development policies to create the best possible outcome for their unique situations.

“UNDP, Hilton Foundation Launch New Platform to Support Smart, Inclusive Cities.”

United Nations Development Programme, September 27, 2019,

<https://www.undp.org/content/undp/en/home/news-centre/news/2019/shaping-our-future--inclusive-smart-cities.html>.

The City2City.Network platform, co-developed by UNDP and the Hilton Foundation program, focuses on sustainable development for new cities in an online idea-sharing forum. This platform will also draw ideas from major city leaders and bring together leadership at all levels of government. This forum’s unique online base is seen as a faster alternative to in-person forums, where ideas can be shared and accessed with just a click of a button. It also brings in previously under-represented voices in the realm of city development and shows that the growth of successful



cities is a multi-layered process. Member States are strongly encouraged to consider using this platform and drawing ideas from this site.

United Nations Development Programme. “Smart Cities: Urban Myth?” Medium, February 7, 2020, <https://medium.com/@UNDP/smart-cities-urban-myth-54acc99ecbda>.

This article has a specific focus on the plans being undertaken in Ethiopia, but the information provided can be a great resource for other Member States in similar situations. Addis Ababa, Ethiopia is a major political and diplomatic hub in Africa and also one of the fastest growing cities on the continent. A three-year beautification project was established in February of 2019 with the intention of reforming the city in all aspects of life. Therefore, this city can be used as an example for how efficient city development plans can be implemented in other cities of equitable status. While the long-term effects of the project have yet to be determined, it shows great promise and is certainly something that other Member States in this body can emulate in the coming conference.

Hammett, Laura. “The Role of Cities in a Climate-Resilient Future.” United Nations Development Programme, February 10, 2020, <https://www.undp.org/content/undp/en/home/blog/2020/the-role-of-cities-in-a-climate-resilient-future.html>.

The UNDP asserted that cities play a unique role in the future of global sustainability. As more people move into densely populated areas, issues such as carbon emissions, inequality, and environmental degradation will become more apparent and urgent to address. Therefore, the international community should understand how cities will affect the execution of the SDGs over the next decade. If the issue of low-carbon cities is addressed first and foremost, solutions for other issues may follow suit. When researching the overall impact of urbanization, Member States should seek short and long-term plans for climate change impact before addressing other impacts.

Ervin, Jamison. “The Risks of Biodiversity Loss for Cities.” United Nations Development Programme, February 5, 2020, <https://www.undp.org/content/undp/en/home/blog/2020/cities-and-biodiversity-.html>.

The UNDP brought to attention the concern of mass wildlife extinction as a result of unsustainable economic practices. Biodiversity is connected to a variety of other important issues at risk of instability if the rate of biodiversity decline continues at its current rate. Climate change, a global economic recession, and food and water shortages are just a few of the pressing issues tied to biodiversity. As human migration moves towards city living, it is crucial to ensure a symbiotic relationship between the natural world and man-made society. Member States, especially those with budding cities, are implored to consider the effects that urbanization may have on both their own people and the general global society.