



# Semester Report

## July—December 2020

Achieving the Sustainable Development Goals (SDGs), particularly poverty eradication, requires national policies and an international regime that supports and does not undermine development efforts. The South Centre is an intergovernmental policy research think-tank composed of and accountable to developing country Member States. It conducts policy-oriented research on key policy development issues, and supports developing countries to effectively participate in international negotiating processes that are relevant to the achievement of SDGs. The Centre promotes the unity of the South in such processes while recognizing the diversity of national interests and priorities.

This Semester Report summarizes the activities undertaken by the South Centre during the period 1st July to 31 December 2020. It is intended to provide information, organized by themes, about recent developments in the areas covered by the Centre's Work Program, meetings organized or co-organized by the Centre to examine particular issues or provide analytical support for negotiations taking place in various international fora, and conferences and other meetings where the Centre has participated. It also informs about publications made.

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## Abbreviations and Acronyms

ACT Accelerator	Access to COVID-19 Tools Accelerator
ADS	Automated Digital Services
AfCFTA	African Continental Free Trade Area
AFRETRAP	African Energy Transition Program
AMR	Antimicrobial Resistance
AMS	Aggregate Measure of Support
AU	African Union
CBD	Convention on Biological Diversity
CCSI	Columbia Centre on Sustainable Investment
CDIP	Committee on Development and Intellectual Property
CEMAC	Central African Economic and Monetary Community
CSOs	Civil Society Organizations
C-TAP	COVID-19 Technology Access Pool
DSSI	Debt Servicing Suspension Initiative
EAC	East African Community
ECOWAS	Economic Community of West African States
EPAs	Economic Partnership Agreements
ESA	Eastern and Southern Africa
EU	European Union
FACTI Panel	High Level Panel on International Financial Accountability, Transparency and Integrity for Achieving the 2030 Agenda
FAO	Food and Agriculture Organization
FDI	Foreign Direct Investment
FTAs	Free Trade Agreements
G20	Group of Twenty
G77 and China	Group of 77 and China
GCF	Green Climate Fund

GSP	Generalised Scheme of Preferences
ICT	Informal Consolidated Text
IF	Inclusive Framework
IFF	Investment Facilitation Framework
IHR	International Health Regulations 2005
IAs	International Investment Agreements
ILO	International Labor Organization
IMF	International Monetary Fund
IOAC	Independent Oversight and Advisory Committee
IP	Intellectual Property
IPPR	Independent Panel for Pandemic Preparedness and Response
ISDS	Investor-State Dispute Settlement
ITPGRFA	International Treaty on Plant Genetic Resources for Food and Agriculture
IUU	Illegal, Unreported and Unregulated Fishing
JSIs	Joint Statement Initiatives
LBI	Legally Binding Instrument
LDCs	Least Developed Countries
MC12	12 <sup>th</sup> WTO Ministerial Conference
MPIA	Multi-Party Interim Agreement
OECD	Organisation for Economic Co-operation and Development
OEIGWG	Open-ended Intergovernmental Working Group on transnational corporations and other business enterprises
OIE	World Organisation for Animal Health
PSH	Public Stockholding Programmes
S&D	Special and Differential Treatment
SACU	Southern African Customs Union
SAPs	Structural Adjustment Policies
SCF	Standing Committee on Finance
SCP	Standing Committee on Patents

SCTI	South Centre Tax Initiative
SSC	South-South Cooperation
SSM	Special Safeguard Mechanism
SSTrC	South-South and Triangular Cooperation
TNCs	Transnational Corporations
TRIPS	Agreement on Trade-Related Aspects of Intellectual Property Rights
UK	United Kingdom
UN	United Nations
UNCITRAL	United Nations Commission on International Trade Law
UNCTAD	United Nations Conference on Trade and Development
UNFCCC	United Nations Framework Convention on Climate Change
UNGA	United Nations General Assembly
US	United States
VAT	Value Added Taxes
VOP	Value of Production
WAAW	World Antimicrobial Awareness Week
WATAF	West African Tax Administration Forum
WGIII	Working Group III (UNCITRAL)
WHA	World Health Assembly
WHO	World Health Organization
WIPO	World Intellectual Property Organization
WTO	World Trade Organization

## Executive Director's Message



### **Fighting COVID-19 while continuing efforts to achieve the Sustainable Development Goals**

The COVID-19 pandemic has caused a global crisis without precedent in modern history. Its effects have not been felt equally among all countries as it has exacerbated the profound economic and social inequalities affecting the most vulnerable.

The United Nations Secretary-General has highlighted that “The 2030 Agenda, underpinned by human rights, provides a comprehensive blueprint for sustainable recovery from the pandemic”. Nevertheless, and according to the 2020 Report on

the achievement of the Sustainable Development Goals (SDGs), the COVID-19 crisis has evidenced some of the major weaknesses of the social fabric.

Addressing the COVID-19 crisis is indispensable, but States should continue working towards protecting public welfare and well-being, not only as an “extraordinary measure”, but rather as a comprehensive and long-term public policy that requires the adoption of means towards the achievement of the 2030 Agenda for Sustainable Development, the improvement of human conditions, and to a broader understanding of development for the promotion, protection, and fulfillment of all human rights.

The possible impact of austerity measures and of the redirection of public funds for the payment of the costs and compensations resulting from foreign debt or investor-State dispute settlement (ISDS) should be carefully considered in the current and future crises, as well as the severe negative effects of unilateral coercive measures that are currently applied in violation of international law.

Developing countries' efforts in the fight against the COVID-19 pandemic have shown the need for strengthening public policies directed towards guaranteeing public investment in social and health infrastructure, human talent and capacities to promote a more equal and fair redistribution of wealth and permanently guaranteeing peoples' well-being and their right to development.

While the South Centre celebrated in 2020 the 25 years from its establishment, it increased its efforts to respond to the demands and needs of its members and other developing countries. Through policy-oriented research, support for international negotiations in various development-related areas, advice and training, the Centre has sought to contribute to the response of the global South to the current health and economic crisis. This has been done on the understanding that the fight against COVID-19 should not impair efforts to achieve the Sustainable Development Goals through, inter alia, an effective realization of human rights, universal access to health, a systemic fight against poverty and global inequalities, and the expansion of local innovation and production capabilities, including for the manufacturing of vaccines and treatments to address the pandemic.

*Dr. Carlos M. Correa*

## 1. Innovation, intellectual property, technology transfer and protection of traditional knowledge

### *Response to the COVID-19 pandemic*

The COVID-19 pandemic continued to remain a global public health emergency through the second semester of 2020. Access to vaccines, medicines and diagnostics for mitigating COVID-19 has emerged as the most critical concern in this regard for developing countries. Limitations in manufacturing capacity and the barriers that may be created by intellectual property rights and supplementary legal protections are issues of particular concern in this context.

Developed countries have secured advance purchase agreements with vaccine manufacturers, ensuring that most of the available supplies of the approved vaccines are procured by them. The COVAX facility is the international mechanism for supporting pooled procurement and equitable global distribution of vaccines as part of the Access to COVID-19 Tools (ACT) Accelerator. However, funding contributions for COVAX in particular from developed countries remain low, there is uncertainty on the progress of vaccine candidates as well as terms and progress in negotiations with manufacturers to set price and quantities that may be available for participating countries to meet the target of covering up to 20% of the world population in 2021, and the extent of participation by developing countries, both self-financing and GAVI-supported, in governance for decision making in the COVAX facility. The scaling up of manufacturing capacity for accelerating the timely global roll out of affordable and effective vaccines is inhibited by reluctance of the leading manufacturers to voluntarily share intellectual property (IP) and know-how over COVID-19 health technologies through the COVID-19 Technology Access Pool (C-TAP) initiative established at the World Health Organization (WHO). In this context, advancing other mechanisms have taken increased importance, such as the use of flexibilities in the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) and possible waiving of certain obligations in the World Trade Organization (WTO) TRIPS Agreement under discussion based on a proposal from developing countries.

The South Centre has produced a number of research papers, policy briefs, SouthViews and SouthNews articles and organized a number of briefings for member States in preparation for discussions in the United Nations General Assembly (UNGA), WHO, WTO and the World Intellectual Property Organization (WIPO).

The Centre also organized a number of public webinars on these issues including experts from United Nations (UN) agencies, research institutions, academia and civil society organizations. The Executive Director and staff of the South Centre also participated as speakers in a number of webinars organized by other organizations on these issues. The Centre also provided expert advisory opinions upon request to delegates from developing countries. These activities of the South Centre have supported developing countries in advancing their interests in related statements and proposals in relevant fora, particularly the WHO and the WTO.

### **Publications**

#### **The TRIPS Agreement Article 73 Security Exceptions and the COVID-19 Pandemic (Research Paper 116, August 2020)**

*By Frederick Abbott*

<https://www.southcentre.int/research-paper-116-august-2020/>

#### **Re-thinking Global and Local Manufacturing of Medical Products After COVID-19 (Research Paper 118, September 2020)**

*By Dr. Germán Velásquez*



<https://www.southcentre.int/research-paper-118-september-2020/>

**Patent Analysis for Medicines and Biotherapeutics in Trials to Treat COVID-19 (Research Paper 120, October 2020)**

*By Srividya Ravi*

<https://www.southcentre.int/research-paper-120-october-2020/>

**Practical Implications of ‘Vaccine Nationalism’: A Short-Sighted and Risky Approach in Response to COVID-19 (Research Paper 124, November 2020)**

*By Muhammad Zaheer Abbas, PhD*

<https://www.southcentre.int/research-paper-124-november-2020/>

**The UN General Assembly Resolutions on COVID-19: Solemn Assurances for Access to Health Technologies without an Action Plan (Policy Brief 81, July 2020)**

*By Nirmalya Syam*

<https://www.southcentre.int/policy-brief-81-july-2020/>

**Lessons from COVID-19: Pharmaceutical Production as a Strategic Goal (SouthViews 202, 17 July 2020)**

*By Dr. Carlos M. Correa*

<https://www.southcentre.int/southviews-no-202-17-july-2020/>

**Coronavirus pandemic: the vaccine as exit strategy**

**A Global Hurdle Race Against Time with a Split Jury (SouthViews 203, 24 July 2020)**

*By Francisco Colman Sercovich*

<https://www.southcentre.int/southviews-no-203-24-july-2020/>

**Access to medical supplies and devices — the lesser known story of COVID-19 and medical monopoly (SouthViews 208, 19 October 2020)**

*By Salimah Valiani*

<https://www.southcentre.int/southviews-no-208-19-october-2020/>

21/12/2020 - [SouthNews: UNGA Resolution on Global health and foreign policy: strengthening health system resilience through affordable health care for all](#)

09/10/2020 - [SouthNews: The 74th UN General Assembly Adopts New Resolutions on COVID-19 Response](#)

18/09/2020 - [SouthNews: South Centre co-organizes discussions on Covid-19 Vaccines in Brazil](#)

20/08/2020 - [SouthNews: Innovación y propiedad intelectual en escenarios pospandemia](#)

12/08/2020 - [EU Parliament adopts resolution on public health strategy post-COVID-19 based on use of TRIPS flexibilities to ensure access to health technologies](#)

02/07/2020 - [SouthNews: Communiqué from Africa's Leadership in COVID-19 Vaccine Development and Access Virtual Conference](#)

*External Publication:*

**Countries Are Adapting Intellectual Property Laws to Prioritise Health During COVID-19 (The Wire, 24 July 2020)**

*By Nirmalya Syam*

<https://thewire.in/trade/intellectual-property-laws-covid-19>

## Meetings/Webinars Organized

**Webinar: Vaccines for Covid-19 – Analysis and solutions from the perspective of IP law**, co-organized with EMARF-2 (School of Federal Magistrates of the Second Region, Rio de Janeiro, Brazil) and ENFAM (National School of Federal Judges, Brasilia, Brazil) – 7 July 2020

**Webinar: Innovation and intellectual property in post-pandemic scenarios**, co-organized with CEIDIE – 21 July 2020

**Vaccines for Covid-19 – Access, Regulation and Competition**, co-organized with the School of Federal Magistrates of Rio de Janeiro – 5 August 2020



**Webinar: Intellectual Property and Competition Law in the Context of Covid-19**, co-organized with the Office of Judiciary of Thailand – 15 September 2020

**Virtual meeting on Waiver to Certain Provisions of the WTO TRIPS Agreement to Support Effective COVID-19 Response** - 9 November 2020

MEETING ON WAIVER TO CERTAIN PROVISIONS OF THE  
WTO TRIPS AGREEMENT TO SUPPORT EFFECTIVE COVID-19 RESPONSE

Join for discussion and clarification on the proposal under consideration by WTO TRIPS Council for a temporary waiver to certain TRIPS Agreement provisions.

Speakers

 Ms. Gurleen Kaur Second Secretary, Permanent Mission of India to the WTO	 Dr. Mustaqeem de Gama Counsellor, Permanent Mission of South Africa to the WTO and UN	 Dr. Carlos Correa Executive Director, South Centre	 Dr. Yusuf A. Yawda Professor of Law, School of Law, University of KwaZulu-Natal	 Dr. Hu Yuan Qiong Policy Co- ordinator, Médecins Sans Frontières Access Campaign	 Ms. Pascale Boulet IP & Access Leader, Drugs for Neglected Diseases Initiative (DNDI)
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Monday, 9 November 2020  
3 to 4:30 pm CET

Interpretation in French and Spanish will be available.

Please register at  
<https://zoom.us/join/register?u=060pziq69Ny63-dsJ0y1DG4ps6ixAL>

<https://www.southcentre.int/>

**Webinar: Fair and Equitable Pricing in Health – Competition Law and Access to Medicines**, co-organized with IDEC, Brazil – 3-4 December 2020

**Webinar: Access to COVID-19 Vaccines, Medicines and Diagnostics: Voluntary and Compulsory Licences, TRIPS Waiver**, co-organized with Médecins Sans Frontières Access Campaign – 7 December 2020

**MEETING ON WAIVER TO CERTAIN PROVISIONS OF THE  
WTO TRIPS AGREEMENT TO SUPPORT EFFECTIVE COVID-19 RESPONSE**

Join for discussion and clarification on the proposal under consideration by WTO TRIPS Council for a temporary waiver to certain TRIPS Agreement provisions.

SOUTH CENTRE

Speakers

					
Ms. Gurleen Kaur Second Secretary, Permanent Mission of India to the WTO	Dr. Mostaqem de Gama Counsellor, Permanent Mission of South Africa to the WTO and UN	Dr. Carlos Correa Executive Director, South Centre	Dr. Yusuf A. Vawda Professor of Law, School of Law, University of KwaZulu-Natal	Dr. Hu Yuan Qiong Policy Co- ordinator, Medicines Sans Frontières Access Campaign	Ms. Pascale Boulet IP & Access Leader, Drugs for Neglected Diseases Initiative (DNDI)

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Please register at  
<https://zoom.us/join/register?jUvcO6opz1qG9Ny63-dsj0yTDG4poS1xAl>

@South\_Centre  
<https://ipaccessmoda.southcentre.int/>  
<https://www.southcentre.int/>

**Panel discussion: Guaranteeing Access to Medicines: Reforming Trade and Investment Treaties in the COVID-19 Era**, co-organized with the Global Development Policy Center, Boston University – 11 December 2020



**Guaranteeing Access to Medicines:  
Reforming Trade and Investment Treaties  
in the COVID-19 Era**

Register to attend

Panel discussion  
Friday, Dec 11  
7:00-8:30 AM EST //  
1:00-2:30 PM CET

### Meetings/Webinars Attended

**Webinar on “Governing Pathogen and Benefit-Sharing: From pandemic influenza to other pathogens of pandemic potential”**, organized by the Graduate Institute of Geneva – 2 July 2020

**Video conference to discuss a proposal for a world campaign on a common global public response to the Covid-19** – 3 July 2020

**Unitaid Principals virtual discussion** – 10 July 2020

**Webinar: Can we Ensure Global Access to COVID-19 Health Technologies?** Organized by the Centre for International Legal Studies, Jindal Global Law School, India – 11 July 2020

**Webinar: Joint action on COVID-19: boosting our global food and agriculture response**, organized by the FAO – 14 July 2020

**Wilton Park Zoom discussion “Setting the principles to underpin public investment for global ‘commons’ in a post-COVID world”** - 15 July 2020

**Webinar: Global Governance of Trade and Developing Countries in the time of COVID-19** organized by the Jindal Global Law School – 16 July 2020

**Webinar: Biopower and the Pharmaceutical Industry**, organized by the Mesa Antioquia por la transformación del sistema de salud colombiano – 11 August 2020

**Webinar: Vaccines for Covid-19 from a South perspective**, organized by the Universidad Externado, Colombia – 18 September 2020

**Webinar: Trade Secrets: Implications for Pharmaceutical Innovation and Access**, organized by the Graduate Institute – 24 September 2020

**High-Level Event “The Challenge of a Lifetime: Ensuring Universal Access to Covid-19 Health Technologies”** – 25 September 2020

**Seminar on Vaccines for Covid-19: accessibility, affordability and universal distribution**, organized by the Association for Fair Access to Medicine (AAJM) – 28 September 2020

**Meeting on “Access to treatments and vaccines within the framework of COVID-19 intellectual property challenges”** – 30 September 2020

**Executive Director took part in an online debate with Ms. Nathalie Moll, Director General of the EFPIA - European Federation of Pharmaceutical Industries and Associations, on the future global distribution of vaccines in general and – for current reasons – against Covid-19** - 7 October 2020

**Global Congress of Intellectual Property and Public Interest “Intellectual Property, Public Interest and COVID-19 Week”** – 8 October 2020

**PROPIEDAD INTELECTUAL Y ACCESO A MEDICAMENTOS, VACUNAS Y DIAGNÓSTICOS PARA COVID-19** - 2 December 2020

**Webinar: Access to Healthcare and Competition Policy**, organized by CUTS – 4 December 2020

### *Multilateral negotiations, WIPO and WTO*

The South Centre provides support to developing countries in negotiations and debates at the WIPO and WTO on intellectual property issues to safeguard the policy space for crafting national IP regimes that are supportive of various policy goals, and to advance new international rules that are balanced and in the light of different national circumstances, and respond to needs of developing countries, for example in the area of recognizing the value of traditional knowledge and folklore.

In WIPO, the new Director-General started his term, and his senior management team was selected, with some developing country representation. Due to the COVID-19 pandemic, meetings in WIPO and the WTO TRIPS Council are taking place in virtual or hybrid format, and some meetings have been postponed to 2021. The inability to hold face-to-face meetings is an issue of concern due to the problems with connectivity and time differences that can restrain effective participation from developing countries. Accordingly, in some committees of WIPO, delegations have agreed to postpone substantive discussions.

The South Centre has organized briefings to support developing countries in the discussions and provided analysis and recommendations on the topics under discussion. In WIPO these briefings included the WIPO Assemblies, the Committee on Development and Intellectual Property (CDIP) and the Standing Committee on Patents (SCP). The South Centre has also participated in the conference in WIPO on IP and Artificial Intelligence and made an intervention on the need for an agenda that is development oriented and includes technical assistance.

For the WTO TRIPS Council, in addition to organizing briefings prior to the meetings and analytical background notes to inform the discussions, the South Centre has worked to support proposals by developing countries in the WTO TRIPS Council. The South Centre assisted the Least Developed Countries (LDCs) in advancing the proposal for the extension of the transition period for Least

Developed Countries so that they are not required to implement the TRIPS Agreement provisions, including on granting patents for medicines. The Centre also issued a public statement of support. The extension request should be agreed to by the TRIPS Council for decision by the General Council in the first half of 2021.

The South Centre has also provided support to the proponents, India and South Africa, and co-sponsors, to introduce a waiver of certain provisions of the TRIPS agreement to support containment of the COVID-19 pandemic. The South Centre organized various webinars and informal consultations at regional level in order to promote discussion and consideration of the waiver proposal among developing countries, and issued a statement in support. The waiver would absolve all countries from implementing the referred obligations for a limited time period, extending policy space for governments and extending freedom to operate to parties without risk of infringing such intellectual property rights, while ensuring legal certainty that actions are compliant with WTO international rules on trade related aspects of intellectual property rights. This is essential for WTO members to be able to comply with their human rights obligations. The adoption of this proposal will overcome potential obstacles that some categories of intellectual property rights may create to get timely and unfettered access to technologies and products needed to address the pandemic. It will not affect, however, the enforcement of other categories of rights covered by the TRIPS Agreement, nor its full implementation in relation to matters unrelated to the prevention, containment or treatment of COVID-19. Intellectual property, in the pandemic context, is not the main enabling factor for mobilizing investments and broadening collaborations to deliver and accelerate the necessary innovation. Allowing legal monopolies may delay vaccines and treatments becoming available, as evidenced by rising disputes on infringement of intellectual property rights. Moreover, as new diagnostics, therapeutics and vaccines are developed, intellectual property rights and reluctance to share related know-how may act as barriers to the rapid scale up for timely supply at affordable prices in all countries. Developing countries cannot afford an extended time lag for vaccines and treatments to reach their populations. Scaling up manufacturing capacity to enable timely access, including in developing countries, must happen now.

### **Publications**

23/10/2020 - [SouthNews: WTO TRIPS Council discusses major proposals for waiving certain TRIPS obligations and extension of transition period for LDCs](#)

07/10/2020 - [SouthNews: TRIPS Council on 15-16 October should agree to extend the transition period that exempts LDCs from implementation of WTO TRIPS Agreement](#)

05/10/2020 - [SouthNews: Action at the WTO is needed to accelerate research, development, manufacturing and supply of medical products to combat Covid-19](#)

07/08/2020 - [SouthNews: WTO TRIPS Council discusses national IP measures and TRIPS flexibilities in the context of COVID-19](#)

*External Publications:*

**Trade Related Aspects of Intellectual Property Rights, A Commentary on the TRIPS Agreement, Second Edition** (Oxford University Press, 2020)

*By Carlos Maria Correa*

**Literature Review Article: Intellectual Property and Economic Development Volume I** (Edward Elgar, 2020)

*Edited by Carlos M. Correa*

### **Meetings/Webinars Organized**

**Virtual meeting on WTO TRIPS Council** – 27 July 2020, Geneva

**Virtual meeting in preparation for 31st session of WIPO Program and Budget Committee** – 3 September 2020, Geneva

**Virtual meeting in preparation for the Sixty-First WIPO Assemblies** – 16 September 2020, Geneva

**Virtual meeting in Preparation for the WTO TRIPS Council** – 8 October 2020, Geneva

**Virtual meeting on South Centre Briefing on the 32nd Session of WIPO Standing Committee on the Law of Patents (SCP)** – 2 December 2020, Geneva

### **Meetings/Webinars Attended**

**WIPO Second Conversation on Intellectual Property and Artificial Intelligence** - 7-9 July 2020

**Global Forum on Data Protection and National Security**, organized by the Swiss Chinese Law Association – 28 August 2020

**Webinar: Nuclear Energy and Lithium in the Bolivian Geopolitical Perspective, presentation on transfer of technology and intellectual property** – 8 September 2020

**WIPO Programme and Budget Committee** - 7-11 September 2020

**WIPO Webinar: E-commerce and Intellectual Property for Indigenous Peoples and Local Community Entrepreneurs** – 11 September 2020

**WIPO Assemblies** - 21-25 September 2020

**WIPO Third Conversation on Intellectual Property and Artificial Intelligence** – 4 November 2020

**WIPO Committee on Development and Intellectual Property** - 9 – 13 November 2020

**Webinar: Presentation of the TRIPS+ Preferential Trade Agreement Dataset**, organized by FTA-Medicines-Empirics Network – 15 November 2020

**WIPO Standing Committee on Copyrights and Related Rights** - 16 – 20 November

**WIPO Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications** - 23 – 26 November 2020

**Webinar: WTO Reform, Legal Implication and Impacts to Viet Nam**, organized by the Ministry of Foreign Affairs, Viet Nam – 27 November 2020

**WIPO Coordination Committee** - 3 December 2020

**WIPO Standing Committee on Patents** - 7-10 December 2020

### *Capacity building activities on TRIPS flexibilities for public health*

The use of TRIPS flexibilities promotes access to medical products, which is of relevance in many disease areas where medical products are often unaffordable, as well as in the context of the COVID-19 pandemic. The effective utilization of TRIPS flexibilities continues to present obstacles in many developing countries because legal provisions are not adequate, the procedures are not sufficiently spelled out, or governments are concerned about possible challenges, including under investment law.

The South Centre imparted various trainings for Ministries of Foreign Affairs, Ministries of Health and patent offices in virtual format, as part of the specialized services that the South Centre offers, with the support of UNITAID. In this context, the South Centre also responded to various requests for expert advice and undertook reviews of national legislation and regulations, advancing recommendations for the effective use of TRIPS flexibilities to promote access to medical products. These services are available to developing countries; more information is available at <https://ipaccessmeds.southcentre.int>. The South Centre also established an e-learning platform to deliver training courses online.

### **Publications**

#### **Modulos de Introduccion a la Propiedad Intelectual y Salud Pública (2020)**

<https://www.southcentre.int/book-by-the-south-centre-2020-2/>



#### **Special Section 301:US Interference with the Design and Implementation of National Patent Laws (Research Paper 115, July 2020)**

<https://www.southcentre.int/research-paper-115-july-2020/>

#### **Data in Legal Limbo: Ownership, sovereignty, or a digital public goods regime? (Research Paper 117, September 2020)**

*By Dr. Carlos M. Correa*

<https://www.southcentre.int/research-paper-117-september-2020/>

#### **TRIPS Flexibilities on Patent Enforcement: Lessons from Some Developed Countries Relating to Pharmaceutical Patent Protection (Research Paper 119, October 2020)**

*By Joshua D. Sarnoff*

<https://www.southcentre.int/research-paper-119-october-2020/>

#### **Designing Pro-Health Competition Policies in Developing Countries (Research Paper 125, December 2020)**

*By Vitor Henrique Pinto Ido*

<https://www.southcentre.int/research-paper-125-december-2020/>

**Guía para la concesión de licencias obligatorias y uso gubernamental de patentes farmacéuticas (Documento de Investigación 107, Diciembre 2020)**

*Por Carlos M. Correa*

<https://www.southcentre.int/documento-de-investigacion-107-diciembre-2020/>

**Revisiting the Question of Extending the Limits of Protection of Pharmaceutical Patents and Data Outside the EU – The Need to Rebalance (Research Paper 127, December 2020)**

*By Daniel Opoku Acquah*

<https://www.southcentre.int/research-paper-127-december-2020/>

**United States: An Obsolete Trade Practice Undermines Access to the Most Expensive Drugs at More Affordable Prices (Policy Brief 83, August 2020)**

*By Maria Fabiana Jorge*

<https://www.southcentre.int/policy-brief-83-august-2020/>

**A New Trend in Trade Agreements: Ensuring Access to Cancer Drugs (Policy Brief 84, September 2020)**

*By Maria Fabiana Jorge*

<https://www.southcentre.int/policy-brief-84-september-2020/>

**Propriété Intellectuelle et Accès aux Médicaments : Une Introduction aux Grandes Problématiques – Quelques Termes et Concepts de Base (Documents de Formation 1, Août 2020)**

*Par Germán Velásquez*

<https://www.southcentre.int/documents-de-formation-1-aout-2020/>

**Is the right to exclusivity a Hamlet question? (SouthViews No. 207, 28 September 2020)**

*By Justice Prabha Sridevan*

<https://www.southcentre.int/southviews-no-207-28-september-2020/>

**Creative imitation at the front of pharma biotechnology opportunities: some lessons from late industrialization countries (SouthViews No. 209, 30 October 2020)**

*By Pablo Lavarello and Sebastián Szulwark*

<https://www.southcentre.int/southviews-no-209-30-october-2020/>

02/09/2020 - [SouthNews: South Centre and the Supreme Court of Justice of Paraguay working together to promote access to medicines](#)

10/08/2020 - [SouthNews: Governments adopt new measures to increase transparency on prices in the pharmaceutical sector](#)

06/07/2020 - [SouthNews: South Centre debates the consequences of judicialization of health in Latin America](#)

*External Publications:*

**“Data in a legal limbo: ownership, sovereignty or a digital public goods regime?”, in *Intellectual Property in the Era of Big Data and Blockchain*, Jacques de Werra, eds. (Schulthess Verlag, 2020)**

*By Carlos M. Correa*

**Impact of the Patent Cooperation Treaty in Latin America (GRUR International, Volume 69, Issue 8, August 2020, Pages 803–822)**

*By Juan I Correa, Carlos M Correa*

<https://doi.org/10.1093/grurint/ikaa096>



The South Centre – Max Planck Global Forum on IP, Innovation and Access to Medicines MPI, Munich, 9-10 December 2019 (GRUR International, Volume 69, Issue 11, November 2020, Pages 1130–1140)

By Vitor Henrique Pinto Ido, Viviana Muñoz Tellez

<https://doi.org/10.1093/grurint/ikaa141>

### Meetings/Webinars Organized

**Webinar: Enforcement of Intellectual Property Rights and the role of the Judiciary in Implementing TRIPS Flexibilities**, co-organized with the Supreme Court of Paraguay – 5 August 2020

**Training of patent examiners on pharmaceutical patent examination with IP Vietnam** - 14-16 December 2020

**Training on IP and public health for Ministry of Health, El Salvador** - 17 December 2020



**Digital Launch: South Centre and UNCTAD Case Law Database on Intellectual Property and Public Health** – 16 December 2020



### Meetings/Webinars Attended

Unitaid Virtual Implementers Forum – 2 July 2020

ORAS webinar - 2 October 2020

Unitaid Second Virtual Implementers Forum – 10 November 2020

CUTS' webinar on Access to Healthcare and Competition Policy – 4 December 2020

## 2. Biodiversity, access to genetic resources and traditional knowledge and benefit sharing

Support for developing countries for the regulation of access and utilization of genetic resources and associated traditional knowledge continues to be the focus of the South Centre work in this area. In accordance to the Convention on Biological Diversity (CBD), access can be conditioned to prior informed consent and to agreement on sharing of benefits from the utilization of genetic resources, on mutually agreed terms. The Nagoya Protocol, a subsidiary agreement to the CBD, further elaborates international rules for access and benefit sharing. The year 2020 marked ten years of the conclusion of the Nagoya Protocol.

In the semester, the South Centre supported developing countries in various negotiations. These include negotiations for a new treaty under the United Nations Convention on the Law of the Sea on marine genetic resources in areas beyond national jurisdictions. The treaty negotiations will continue in 2021. In the WTO TRIPS Council, discussions continued on the proposal for a mandatory disclosure requirement of the origin/source of genetic resources and associated traditional knowledge in patent applications. Other important processes supported were preparations for the post-2020 global biodiversity framework and discussions on the link of biodiversity and health in the context of the COVID-19 pandemic.

The South Centre also participated in various processes and organized meetings to support developing countries in negotiations. The South Centre also undertook policy-oriented research. A policy brief was published on the implementation of the Nagoya Protocol. Research is also being advanced on exceptions that countries can introduce in their patent laws in relation to the patenting of plants, to allow for access to biological materials for further research and breeding, and to avoid the undesirable effect of preventing farmers from saving and re-using seeds that incorporate patented materials (or, alternatively, subjecting them to the payment of royalties). The South Centre made a submission jointly with Oxfam for the Ad Hoc Technical Expert Group on Farmers Rights to be presented to the Governing Body of the International Treaty on Plant Genetic Resources for Food and Agriculture (ITPGRFA) in 2021 on an inventory on examples of national measures, best practices and lessons learned from the realization of farmers' rights. The submission focuses on exclusions to patent protection for plants, including plant varieties, biological materials, and essentially biological processes for the production of plants, and exceptions to patents in relation to plants.

### Publications

#### **The Nagoya Protocol International Access and Benefit Sharing Regime (Policy Brief 86, November 2020)**

*By Viviana Muñoz Tellez*

<https://www.southcentre.int/policy-brief-86-november-2020/>

#### **Digital Sequence Information (DSI) and national measures: approaches and perspectives (SouthViews No. 205, 31 August 2020)**

*By Jorge Cabrera Medaglia*

<https://www.southcentre.int/southviews-no-205-31-august-2020/>

### Meetings/Webinars Attended

**Webinar: IP and Benefit-Sharing in the BBNJ draft Treaty**, organized by the London School of Economics, School of Law – 2, 10 July 2020

**Webinar: Disruption, Decarbonization and Reparation - Justice as healing: indigenous and anti-colonial cosmologies**, organized by Warwick Law School - Centre for Law, Regulation & Governance of the Global Economy (GLOBE) – 2 September 2020

**Webinar: UEBT Sourcing with Respect: Digital Dialogues - ABS rules and practices: Trends, news and open questions** - 22 October 2020

**Global ABS Virtual Conference: The ABS we all need**, CBD, 29 October – 25 November 2020

**Webinar: Understanding DSI (Digital Sequence Information): a technical overview of its production, distribution and use**, The ABS Capacity Development Initiative and CBD Secretariat - 1 December 2020

**SBSTTA and SBI on the theme of “Biodiversity, One Health and the response to COVID-19”** - 15-16 December 2020

### 3. Health and development

#### *World Health Organization*

Advancing national health goals requires supportive global health governance. The global COVID-19 pandemic has brought to the forefront the intertwined nature of health and globalization. It has also made evident the global health inequalities and the need for more global collaboration and solidarity. Strengthening health systems and attaining universal health coverage, which includes ensuring access to medical products for all, remain essential goals as part of the 2030 Agenda for Sustainable Development.

The World Health Organization is the main global health agency and has been at the forefront of the COVID-19 pandemic response. In this semester, the main governance body of the WHO, the World Health Assembly (WHA), met in virtual format. The virtual format meant that on some agenda items decisions were taken by silent procedure, rather than discussed in plenary, and interventions and discussions were limited during plenary due to time constraints and connectivity issues in some countries. These conditions are disadvantageous for the effective participation of developing countries. Nevertheless the context did not allow for postponement of discussions on key issues.

The WHA resumed session took place in November. The COVID-19 response continued to be a focus of the discussions. Relatedly, the WHA also heard updates on the process and internal efforts to strengthen preparedness for health emergencies, in particular the implementation of the International Health Regulations (IHR) 2005, and issues concerning the reform of WHO. The Independent Panel for Pandemic Preparedness and Response (IPPR) that is reviewing the WHO response to the COVID-19 pandemic presented an update, and the WHA also heard of the on-going related work of internal WHO bodies on the IHR Review Committee and the Independent Oversight and Advisory Committee (IOAC). An update by the IPPR is expected for the WHO Executive Board in January 2021 prior to the final report submission to the WHA later in the year. Other issues discussed and decided upon by the WHA included the adoption of a global strategy for tuberculosis research and innovation, the adoption of a road map 2021-2030 on neglected tropical diseases, the adoption of the immunization agenda 2020, influenza preparedness, and the implementation of the Global strategy and plan of action on public health, innovation and intellectual property.

The South Centre organized briefings for developing countries in preparation for the WHA, and elaborated analysis in background notes to support the negotiations. The South Centre also published a research paper on the reform of the WHO, a process that countries are advancing in parallel to the WHA discussions. South Centre staff also provided views in various media outlets on the above issues.

## **Publications**

**Médicaments et propriété intellectuelle: 10 ans de la stratégie mondiale de l'OMS (Document de Recherche 100, Septembre 2020)**

*Par Dr. Germán Velásquez*

<https://www.southcentre.int/document-de-recherche-100-septembre-2020/>

**The World Health Organization Reforms in the Time of COVID-19 (Research Paper 121, November 2020)**

*By Germán Velásquez*

<https://www.southcentre.int/research-paper-121-november-2020/>

**Las reformas de la Organización Mundial de la Salud en la época de COVID-19 (Documento de Investigación 121, Noviembre 2020)**

*Por Germán Velásquez*

<https://www.southcentre.int/documento-de-investigacion-121-noviembre-2020/>

20/10/2020 - [SouthNews: WHO's Executive Board assesses current COVID-19 response and requests to be more involved in the review processes](#)

08/10/2020 - [SouthNews: High-Level Representatives from Governments, IGOs & NGOs reflect on role for WHO's C-TAP to ensure access to COVID-19 health technologies](#)

## **Meetings/Webinars Organized**

**Virtual meeting in preparation for the WHO Executive Board, Special session on the COVID-19 Response – 2 October 2020, Geneva**

**Virtual meeting in preparation for the resumed 73rd session of the World Health Assembly – 4 November 2020, Geneva**

**Virtual meeting on WHO informal consultation for Member States on the public health implications of the Nagoya Protocol – 19 November 2020, Geneva**

## **Meetings/Webinars Attended**

**WHO Executive Board Special Session on COVID-19 - 5-6 October 2020**

**Webinar: Backsliding or Building Beyond Covid-19? An Introduction to the Resumed 73rd WHA, Graduate Institute - 5 November 2020**

**Webinar: Pathogen and benefit-sharing: Where next in the global governance of outbreaks?, Graduate Institute - 8 December 2020**

## ***Antimicrobial resistance***

Antimicrobial resistance (AMR) continues to be a critical health issue with severe effects for developing countries. In the context of the ongoing COVID-19 pandemic, there are increasing concerns that antimicrobial use may have increased during the pandemic and that this could exacerbate AMR. In this line, the South Centre published a policy brief examining AMR's relationship with the COVID-19 pandemic. Furthermore, the One Health response to AMR continues to be a challenge, but there is an increased awareness in this area.

The United Nations Interagency Coordination Group, in its final report to the UN Secretary-General, recommended the creation of three governance structures to help guide global actions on AMR: a Global Leaders Group, an Independent Panel of Evidence, and a Multistakeholder Platform. On 20 November 2020, the heads of the Food and Agriculture Organization of the United Nations (FAO), the World Organisation for Animal Health (OIE), and WHO launched the new One Health Global Leaders Group on Antimicrobial Resistance during the World Antimicrobial Awareness Week. The Group members include heads of state, government ministers, leaders from the private sector, and civil society. The Group is co-chaired by their Excellencies Mia Mottley, Prime Minister of Barbados, and Sheikh Hasina Wazed, Prime Minister of Bangladesh. Information on the current state for the Independent Panel of Evidence and the Multistakeholder Platform appointment are yet to be announced. The South Centre staff provided its views for an article published in *The Lancet* on the important role of the Global Leaders Group and shortcomings in the design.

With support from the Fleming Fund, the South Centre provided limited financial funds to support awareness and advocacy activities of Civil Society Organizations (CSOs) in developing countries for the 2020 World Antimicrobial Awareness Week (WAAW). The South Centre selected six organizations from several countries located in the African region and took several different approaches to raise awareness of antimicrobial resistance. As part of the 2020 WAAW activities, the South Centre also participated in disseminating information through social media platforms and participated in a series of webinars to increase knowledge and understanding of the critical importance of AMR. Support for CSOs working in AMR is fundamental and the South Centre has recently published a paper highlighting the important role of CSOs in this area.

From December 1-4, the South Centre, together with ReAct Africa, held the virtual conference “What is the status of Antimicrobial Resistance National Action Plans in the African Region?”. The conference provided an opportunity for international organizations at the regional level to provide information on the current efforts to support the African region in addressing AMR. Funders were also invited to give an overview of financial support. Then countries had the opportunity to present the implementation status nationally and identified opportunities and challenges regarding efforts to address AMR. The response to the pandemic has in many African countries diverted resources from AMR to COVID-19. Still, African countries also pointed out that infection prevention and control efforts could help strengthen the AMR response. Financial resources and public awareness continue to be significant challenges for the region, and global leadership in this regard remains critical.

## **Publications**

### **How Civil Society Action can Contribute to Combating Antimicrobial Resistance (Research Paper 126, December 2020)**

*By Mirza Alas Portillo*

<https://www.southcentre.int/research-paper-126-december-2020/>

### **Examining antimicrobial resistance in the light of the COVID-19 pandemic (Policy Brief 82, July 2020)**

*By Mirfin Mpundu, Caline Mattar and Mirza Alas*

<https://www.southcentre.int/policy-brief-82-july-2020/>

27/11/2020 - [AMR News: Global Leaders Group on Antimicrobial Resistance announced during World Antimicrobial Awareness Week](#)

20/11/2020 - [AMR News: Tackling antimalarial drug resistance: New WHO report](#)

12/08/2020 - [AMR News: Global Leaders Group on Antimicrobial Resistance Calls for Nominations from Civil Society and Private Sector](#)

15/07/2020 - [AMR News: Civil Society press for actions on Antimicrobial Resistance](#)

02/07/2020 - [AMR News: WHO recommends measures to improve antimicrobial use during the COVID-19 pandemic](#)

*External Publication:*

**Current policy developments on Antimicrobial Resistance (Down To Earth, 2020)**

By Viviana Munoz Tellez

### **Meetings/Webinars Organized**

**Virtual conference on What is the status of Antimicrobial Resistance National Action Plans in the African Region?**, organized by South Centre and ReAct Africa - 1-4 December 2020



### **Meetings/Webinars Attended**

**Webinar: AMR threat during COVID-19 response—taking action on antimicrobial stewardship, perspective from EMRO region**, WHO EMRO – 8 July 2020

**Webinar: New Initiative takes on the Antibiotic Innovation Challenge**, organized by International Federation of Pharmaceutical Manufacturers and Associations (IFPMA), European Federation of Pharmaceutical Industries and Associations and World Health Organization – 9 July 2020

**Webinar: One Health for Antimicrobial Resistance: Why it is more important than ever to think cross-sectoral?** - 24 August 2020

**Fourth AMR Conference**, organized by Biocom and BEAM Alliance – 24-28 August 2020

**Fleming Fund Virtual Delivery Partners Event** - 10 October 2020

**Webinar: The Global Response to drug-resistant infections - momentum, success and critical gaps**, Wellcome Trust - 18 November 2020

**Webinar: “Access to antimicrobials and AMR”, Global AMR Youth Summit**, World Health Students’ Alliance (WHSA) - 21 November 2020

**Webinar: “Semana Mundial de la concientización del buen uso de los antibióticos”** – 26 November 2020

#### 4. Sustainable investment and human rights

The COVID-19 pandemic has raised a number of challenges and difficulties for the participation of developing country representatives in international negotiations and forums related to international investment agreements (IIAs) and investor-State dispute settlement (ISDS) reforms, and business and human rights. Given some of the measures imposed by countries to limit the spread of COVID-19, including travel bans and limiting in-person conferences and meetings, the majority of negotiations were held virtually. Although this allowed negotiations to go as planned, the participation of developing countries and civil society faced a number of obstacles, ranging from limited connection and capacity to attend all negotiations. This not only highlighted the digital divide that exists among countries, but also the need to consider more geographical diversity in the location where such negotiations are held.

This period has also showcased the oversaturation of webinars and online related events, which not only carries the risk of creating webinar fatigue, but also of establishing a false sense of ‘approval’ or ‘agreement’ in diverse negotiation forums. For example, the ISDS Academic Forum was established in 2018 with the purpose of giving constructive contribution to the ongoing discussions on possible reform of ISDS in the context of the United Nations Commission on International Trade Law (UNCITRAL)’s Working Group III (WGIII). The Forum organized 3 meetings in 2019 and intended to have the same number of meetings in 2020. Nevertheless, the Forum ended up organizing at least 7 webinars and 1 in-person meeting during this year (4 in the second semester of 2020).<sup>1</sup> These meetings were co-organized with UNCITRAL’s Secretariat, which gave a sense of ‘officialness’ to the webinars and discussed all matters related to the Program of Work of the WGIII 39<sup>th</sup> Session held from 5 to 9 October 2020.

During these sessions, several delegates stressed that no agreement was achieved on any of the issues established in its Programme of Work, and that the intersessional meetings organized by the Academic Forum should not be considered as negotiating spaces. It is important to note that States participating in the discussions are still divided with regards to the general outcomes currently being pursued in WGIII, particularly those who seek a more structural reform of ISDS (still considering the need for substantive reform of IIAs, and those seeking for potential ‘early harvests’ towards possible structural reforms).<sup>2</sup> It is therefore important to emphasize that developing countries’ efforts in WGIII should not be delinked from discussions guided towards the reform and modernization of the international investment regime, including substantive provisions in IIAs.

In line with such efforts, and considering the threat of possible ISDS claims against COVID-19 related measures taken by countries, the South Centre organized the Webinar titled “**Responsible Investment for Development and Human Rights: Assessing Different Mechanisms to Face Possible Investor-State Disputes from COVID-19 Related Measures**” with the objective of fostering dialogue and sharing views among developing countries and other strategic partners for identifying and assessing the different mechanisms for States to face these challenges at the multilateral, regional and domestic level. The South Centre also made a call, together with Columbia Centre on Sustainable Investment (CCSI) and other strategic partners, for establishing an ISDS moratorium during the COVID-19 pandemic, with particular attention to establishing a permanent restriction on all arbitration claims related to government measures targeting health, economic, and social dimensions of the pandemic and its effects.<sup>3</sup>

These efforts are based on the fact that several law firms and risk managers are already advising foreign investors about the possibility of initiating ISDS claims against host States on the grounds of the alleged breach of their investors’ rights, based on provisions such as: (i) full protection and security; (ii) fair and equitable treatment; (iii) national treatment and most-favoured nation treatment; and (iv) unlawful expropriation.<sup>4</sup> The United Nations Conference on Trade and Development (UNCTAD) organized a

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<sup>1</sup> See <https://www.jus.uio.no/pluricourts/english/projects/leginvest/academic-forum/>.

<sup>2</sup> See <http://international-litigation-blog.com/isds-reform-working-group-iii-gets-down-to-brass-tacks/>.

<sup>3</sup> See <http://ccsi.columbia.edu/2020/05/05/isds-moratorium-during-covid-19/>.

<sup>4</sup> Vasuda Sinha, Ashley Jones and Keteban Betanelli, “International arbitration in the time of COVID-19: a rapidly changing environment”, in *International Arbitration: Illuminating the top trends in 2020* (Freshfields Bruckhaus Deringer, 2020).

satellite event of the World Investment Forum on “IIA reform in time of COVID-19”. The event recognized that the reform is necessary and also recognized the need to modernize old investment treaties and to strengthen domestic jurisdictions to deal with investment disputes, rather than promoting new avenues of international ISDS.

Part of the modernization of IIAs is the inclusion of human rights obligations for investors and building stronger linkages with the promotion of sustainable development. The South Centre has been engaged in the ongoing discussions on the legally binding instrument on business and human rights by organizing several meetings with member countries of the Group of 77 and China and other stakeholders in preparation for the 6th Session of the Open-ended Intergovernmental Working Group (OEIGWG) on transnational corporations and other business enterprises, and supporting the Chairperson-Rapporteur of the OEIGWG.

The discussions during the 6<sup>th</sup> session were based on the Second Revised Draft of the Legally Binding Instrument (LBI) which was presented by the Chairperson-Rapporteur on 6 August 2020. It was also accompanied by Explanatory Notes on the key issues and structure of the second revised draft. Although the COVID-19 pandemic posed several challenges for the organization of the session given the health situation in Geneva, the session was organized in a hybrid format, and achieved a more focused approach to textual negotiations, contributing towards the elaboration of the third revised draft of the LBI.

## **Publications**

### **The United Nations Declaration on the Rights of Peasants and Other People Working in Rural Areas: One Step Forward in the Promotion of Human Rights for the Most Vulnerable (Research Paper 123, November 2020)**

*By Maria Natalia Pacheco Rodríguez and Luis Fernando Rosales Lozada*

<https://www.southcentre.int/research-paper-123-november-2020/>

### **Política de industrialización de litio, el caso boliviano (Informe sobre políticas 85, Octubre 2020)**

*Por Hortensia Jiménez Rivera*

<https://www.southcentre.int/informe-sobre-politicas-85-octubre-2020/>

### **The Covid-19 Pandemic and Liability under Investment Treaties (SouthViews No. 204, 11 August 2020)**

*By Muthucumaraswamy Sornarajah*

<https://www.southcentre.int/southviews-no-204-11-august-2020/>

### **Designing an International Legally Binding Instrument on Business and Human Rights (July 2020)**

*By Daniel Uribe and Danish*

<https://www.southcentre.int/sc-publication-july-2020/>





09/12/2020 - [SouthNews: The impact of unilateral sanctions on human rights during the COVID-19 pandemic](#)

08/12/2020 - [SouthNews: Unilateral Coercive Measures \(UCMs\) and their Impacts in the Context of the COVID-19 Pandemic](#)

09/11/2020 - [SouthNews: Process to elaborate the Legally Binding Instrument on Transnational Corporations and Other Business Enterprises gains further momentum](#)

21/09/2020 - [SouthNews: COVID-19 and the right to development](#)

*External Publication:*

**Bolstering Human Rights within International Economic Agreements–Reconciling Two ‘Separate Regimes’?** (OpinioJuris, BHR Symposium, September 2020)

By *Daniel Uribe*

<http://opiniojuris.org/2020/09/10/bhr-symposium-bolstering-human-rights-within-international-economic-agreements-reconciling-two-separate-regimes/>

### Meetings/Webinars Organized

South Centre Webinar Series on Development and Covid-19, *Responsible Investment for Development and Human Rights: Assessing Different Mechanisms to face Possible Investor-State Disputes from COVID-19 Related Measures* - 30 July 2020



South Centre Online Consultation, *Assessment of the Second Revised Draft Legally Binding Instrument towards the Sixth Session of the Open-ended Intergovernmental Working Group on Transnational Corporations and other Business Enterprises with respect to Human Rights* - 2 & 15 October 2020

South Centre Closed Webinar on *New Opportunities for a Legally Binding Instrument on business and human rights in times of COVID-19* - 12 October 2020

South Centre Debriefing Session, *Sixth Session of the Open-Ended Intergovernmental Working Group on Transnational Corporations and Other Business Enterprises with Respect to Human Rights* - 16 December 2020

### Meetings/Webinars Attended

UNCITRAL Secretariat, Organisation for Economic Co-operation and Development (OECD) and the ISDS Academic Forum, *Webinar on Shareholder Claims and Reflective Loss* - July 2020

Columbia Centre on Sustainable Investment Workshops for government officials on UNCITRAL WGIII, *Treaty Interpretation by States Parties* - July 2020

Columbia Centre on Sustainable Investment Workshops for government officials on UNCITRAL WGIII, *Reflective Loss and Shareholder Claims* - July 2020

Columbia Centre on Sustainable Investment Workshops for government officials on UNCITRAL WGIII, *Multiple Proceedings and Counterclaims* - August 2020

International Institute for Sustainable Development Webinar, *The Multilateral Framework on Investment Facilitation: What investment treaty negotiators need to know* - August 2020

Human Rights Council Biennial Panel Discussion on the Right to Development entitled “COVID-19 and the right to development: we are all in this together” – September 2020

UNECA Ad Hoc Expert Group Meeting to Review the Draft Publication on Towards a Common Investment Area in the African Continental Free Trade Area: Levelling the Playing Field for Intra-African Investment – September 2020

Columbia Centre on Sustainable Investment Workshops for government officials on UNCITRAL WGIII, *Damages in ISDS* - September 2020

International Institute for Sustainable Development, *XIII Annual Forum of Developing Country Investment Negotiators* - September 2020

Georgetown and CAROLA Centre, *Shaping Investor-State Arbitration in a COVID-19 World* - September 2020

Georgetown and CAROLA Centre for the Americas, *Career Paths International Investment Law* - September 2020

European Union Trade Stakeholder Meeting, *Establishment of a Multilateral Investment Court* - September 2020

Digital divides and technology transfer to overcome barriers to development at the Human Rights Council Social Forum – October 2020

HRC/WG on elaborating a legally binding instrument on transnational corporations and human rights - 6th Session conference - October 2020

Southern African Campaign to Dismantle Corporate Power, the Center for Applied Legal Studies (CALC – South Africa), Lawyers for Human Rights (LHR– South Africa), the African Coalition for Corporate Accountability (ACCA), *Regional African Consultation on the UN Legally Binding Instrument on Transnational Corporations and Human Rights* - October 2020

GIN, *Reflections of the members of regional and national parliaments from Europe, Latin America, Asia, Africa on the UN Binding Treaty* - October 2020

UNCTAD-SRC Webinar, *International Investment Agreement Reform and COVID-19* - October 2020

Harnessing international investment agreements to prevent human rights abuses of 9th UN Forum on Business and Human Rights - November 2020

Virtual seminar on "Unilateral Coercive Measures in the Context of COVID-19 Pandemic Situation, organized by the Missions of Cuba, Venezuela and Iran in Vienna – November 2020

Centre for Human Rights and Businesses, *VII International Seminar on Human Rights and Businesses* - November 2020

United Nations Conference on Trade and Development, *Virtual IIA Conference 2020: "IIA Reform in Times of COVID-19"* - November 2020

Columbia Centre on Sustainable Investment, *Investment Treaty Reform: Continued Priority or Backburner Issue?* - December 2020

Columbia Centre on Sustainable Investment, *EU Approach to Responsible Business Conduct: Ongoing Developments on Mandatory Human Rights and Environmental Due Diligence* - December 2020

Columbia Centre on Sustainable Investment, *How the African Continental Free Trade Area (AfCFTA) Protocol on Sustainable Investment will contribute to the development of International Law and Policy* - December 2020

UN Working Group on Business and Human Rights, *IAs and Human Rights European Regional Consultation* - December 2020

African Union, ODI, *Investor-state dispute settlement and economic recovery in Africa* - December 2020.

**Webinar on COVID-19 and Commonwealth FDI: Immediate Impacts and Future Prospects** – December 2020

**OECD Launch event, Report on 20 years of NCPs as grievance mechanisms (PA)** - December 2020

**Consultation on the Global Repository of Good Practices on Internal Displacement**, organized by the Displacement Monitoring Centre – December 2020

## 5. International tax cooperation

International tax negotiations have proceeded at a brisk pace within the two main institutions: the United Nations (UN) and the Organisation for Economic Co-operation and Development (OECD)/Group of Twenty (G20) Inclusive Framework (IF). In both institutions the overarching focus remains on taxing the digital economy, which has seen a fillip post the COVID-19 pandemic, leaving countries struggling to find ways to effectively tax the rising revenues from this crucial sector. Within the IF, on 12 October it was announced that the October deadline for finding a solution to taxing the digital economy could not be adhered to, and that an extension was sought to “mid-2021”. The blueprints for Pillars One and Two were released, along with an economic impact assessment. The Two Pillar approach has been criticized by developing countries for its enormous complexity and multiple policy weaknesses which call into question both the fairness and practicality of the solution. This is compounded by the modest revenue gains as highlighted in the economic impact assessment which many developing countries have called disproportionate to the administrative effort required.

Dissatisfied with the endless negotiations in the OECD IF, some developing country members of the UN Committee of Experts on International Cooperation in Tax Matters (UN Tax Committee), notably from India and Argentina, took the initiative and proposed a solution for taxing the digital economy within the UN itself. The solution took the form of a proposed update to the UN Model Tax Convention through inserting a new Article 12B which would enable taxation of Automated Digital Services (ADS). The solution, prepared by a drafting group comprised entirely of developing countries, is much simpler to administer than the Two Pillar Approach and carries much better possibilities of raising revenue. The

proposal on including 12B was voted upon and approved despite the opposition from developed country members.

Separately, long-standing efforts to tax software payments as royalties gained momentum, as another way to tax the digital economy. The key demand by developing countries is to include the term “computer software” in the definition of royalties in Article 12 of the UN Model Tax Convention. This will provide an international standard and would ameliorate issues arising from the wording of many existing treaties which include software in the definition of royalties. At the 21<sup>st</sup> session of the UN Tax Committee it was agreed to reach a decision on the changes to the article and Commentary in the next session. In the meantime the UN Tax Committee Secretariat would prepare a paper outlining the proposed Commentary for discussion by the relevant Subcommittee.

Apart from these, the UN Tax Committee also deliberated upon taxation of offshore indirect transfers of capital gains, taxation of extractive industries, environmental taxation, government to government aid projects and dispute avoidance and resolution.

The South Centre Tax Initiative (SCTI) continued to engage in these processes and support developing countries. It established a Developing Country Expert Group to prepare a report on the Two Pillar Approach with an outline of positions reflecting the interests of developing countries. The report was also presented in a closed briefing to delegates and tax officials from the Group of 77 (G77) and China.

The SCTI continued to assist UN Tax Committee Members to coordinate efforts and arrive at common positions. It also made a submission supporting the taxation of software payments as royalties, in addition to its previous submission supporting the proposed taxation of Automated Digital Services.

The SCTI has also been engaging with World Trade Organization (WTO) Members and the International Labor Organization (ILO) and has been providing technical inputs on taxing the digital economy.

The High Level Panel on International Financial Accountability, Transparency and Integrity for Achieving the 2030 Agenda (FACTI Panel) released its interim report in September which provided a wide-ranging and holistic examination of the issues of tax evasion and avoidance. The SCTI engaged with the FACTI Panel by providing technical inputs through submissions on key aspects of the report such as the architecture for tax cooperation, digital economy and dispute settlement.

Another important area of activity was capacity building through the peer exchange mechanism. In collaboration with the West African Tax Administration Forum (WATAF), training was carried out for 63 officials from 7 West African countries on taxing the ‘hard to tax’ - High Net Worth Individuals and the informal sector. The training generated demands for further advice and capacity building. SCTI also facilitated a peer exchange between the governments of Nepal and Argentina on the approaches taken to tax the digital economy through Value Added Taxes (VAT).

To broaden the conversation, SCTI focused on educating the academic community about the issues at stake for developing countries in international tax matters. Accordingly, a seminar was held where two members of the UN Tax Committee briefed an audience largely comprising of academics in the economics field (but also G77 delegates and tax officials) about the key challenges for developing countries in international tax in general, and in the digital economy in particular. A webinar was also co-organized with the Global Alliance for Tax Justice on “tax policy options for funding the post-COVID recovery”. Both webinars were well-attended reflecting growing interest in the topic.

SCTI staff received several invitations for speaking in webinars and spoke on a variety of topics including exchange of information, digital economy and redistributing taxing rights to African countries. The Steering Group of the SCTI, comprised of eminent experts from government, civil society and international organizations, continued to provide valuable inputs and guidance to the South Centre’s interventions.

The SCTI's flagship event, the Annual Developing Country Forum for South-South Cooperation in International Tax Matters, has been delayed owing to the pandemic. Nevertheless it will be resumed once conditions are suitable and may be held in 2021.

## **Publications**

### **Mesures nationales sur l'imposition de l'économie numérique (Document de Recherche 111, Septembre 2020)**

*Par Veronica Grondona, Abdul Mubeet Chowdhary, Daniel Uribe*

<https://www.southcentre.int/document-de-recherche-111-septembre-2020/>

### **Medidas Tributarias Nacionales sobre la Economía Digital (Documento de Investigación 111, Septiembre 2020)**

*Por Veronica Grondona, Abdul Mubeet Chowdhary, Daniel Uribe*

<https://www.southcentre.int/documento-de-investigacion-111-septiembre-2020/>

### **Base Erosion and Profit Shifting in the Extractive Industries (Tax Cooperation Policy Brief 12, September 2020)**

*By Danish and Daniel Uribe*

<https://www.southcentre.int/tax-cooperation-policy-brief-12-september-2020/>

### **Redistributing Taxing Rights to the Global South through the Digitalized Economy (SouthViews No. 210, 30 November 2020)**

*By Carlos Protto*

<https://www.southcentre.int/southviews-no-210-30-november-2020/>

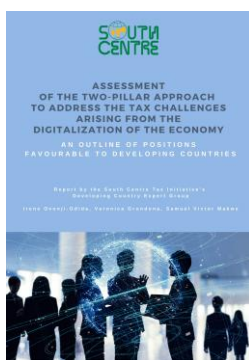
### **Assessment of the Two-Pillar Approach to Address the Tax Challenges Arising from the Digitalization of the Economy**

#### ***An Outline of Positions Favourable to Developing Countries***

#### **Report by the South Centre Tax Initiative's Developing Country Expert Group (August 2020)**

*By Irene Ovonji-Odida, Veronica Grondona, Samuel Victor Makwe*

<https://www.southcentre.int/report-by-the-south-centre-tax-initiatives-developing-country-expert-group-august-2020/>



04/12/2020 - [SouthNews: South Centre Tax Initiative submission to UN Tax Committee on taxation of software payments](#)

03/12/2020 - [SouthNews: South Centre Tax Initiative submission to the FACTI Panel on Interim Report](#)

26/11/2020 - [SouthNews: Capacity building for West African tax officials in international cooperation for taxing High Net Worth Individuals and informal economy](#)

12/11/2020 - [SouthNews: Webinar on Equity in Global Tax Regimes and Implications for the SDGs](#)

28/08/2020 - [SouthNews: UN Tax Committee provides draft guidance on taxing the digitalized economy](#)

13/07/2020 - [SouthNews: SCTI submission to the UN Tax Committee on taxation of the digitalized economy](#)

22/09/2020 - [SouthNews: Tax policy options for funding the post-COVID recovery in the Global South](#)

## Meetings/Webinars Organized

**Webinar "Peer Exchange Discussion after 20th Session of UN Tax Committee" – 2 July 2020**

**South Centre Webinar Series on Development and Covid-19, *Tax policy options for funding the post-COVID recovery in the Global South*, co-organized with the Global Alliance for Tax Justice – 23 July 2020**

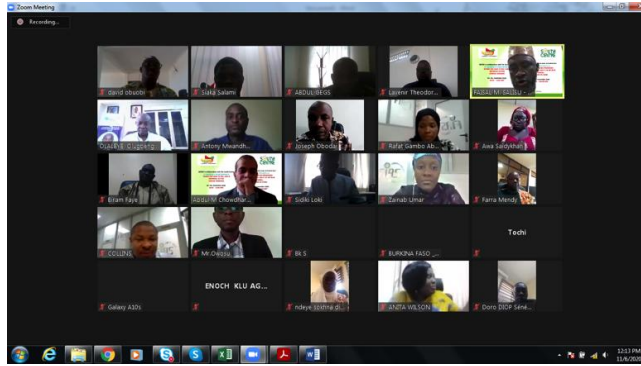


**Online closed Briefing session for the G77 and China on Taxation of the Digital Economy – 9 September 2020**

**International virtual seminar on *Equity in Global Tax Regimes and Implications for the SDGs*, co-organized with TSP Asia, University of Mysore and Indian Economic Association – 7 October 2020**

An invitation poster for a virtual seminar. It features logos for South Centre, TSP Asia, the Ministry of Finance of India, and the Indian Economic Association. The text invites participants to a seminar on equity in global tax regimes. It lists the date and time in CET and IST, and provides details for patrons, resource persons, the presiding officer, and commentators. A registration link and contact information are also included.

**Virtual training on *Taxing the Hard to Tax: High Net Worth Individuals and Informal Sector*, co-organized with the West African Tax Administration Forum (WATAF) - 3-6 November 2020**



Annual meeting of the Steering Group of the South Centre Tax Initiative - 9 November 2020

### Meetings/Webinars Attended

Wilton Park meeting on “A strategic approach to the UK’s international development” - 26 August 2020

Webinar on “Post-Pandemic World Order: Navigating New Normal”, co-organized by the Nepal Institute for International Cooperation and Engagement and the Water Policy Centre - 29-31 August 2020

Annual meeting of the Commissioners of the Independent Commission for Reform of International Corporate Taxation (ICRICT) - 10 September 2020

Webinar on “COVID-19 Dialogue: Sectoral Impacts, Global Responses and Enhancing Resilience to Future Pandemics”, co-organized by the Yunus Centre and the Water Policy Centre - 24-25 September 2020

Webinar on “Statistics on foreign bank accounts: Use for developing countries”, organized by the Financial Transparency Coalition - 1 October 2020

OECD update on taxation of digital economy - 12 October 2020

21<sup>st</sup> Session of the UN Committee of Experts on International Cooperation in Tax Matters - 20-29 October 2020

Webinar on “8th Edition of the Pan African Conference on Illicit Financial Flows and Taxation”, co-convened by TJN-A, GATJ, UNECA, AUC, PALU, OXFAM, ACTION AID, ATAF, Stop the Bleeding Consortium, PWYP, ISODEC, GII, AMDC, YTJN, ZIMCODD, AFRODAD, SARW – 13 November 2020

## 6. Climate change and sustainable development

In the second half of 2020 the outbreak of the COVID-19 pandemic continued unrelentingly with implications on many if not all aspects of sustainable development, including new challenges and uncertainties in the fight against climate change. The focus of attention turned to rising debt, recession talk and the search for vaccines. Climate negotiations were postponed and in its place the United Nations Framework Convention on Climate Change (UNFCCC) organized a series of Climate Dialogues.

The South Centre organized webinars on “COVID-19 impact actions across Africa. First-hand information from policymakers and leading experts” and “Sustainable Energy for Africa: transition through growth. How to boost output, improve access and reduce impact on the nature and society? Technologies, scenarios, strategies, sources of finance and business models” as part of the “Energy for sustainable development in Africa in the post-COVID19 world – looking for the New Normal” webinar series. This series was to facilitate information gathering and to generate ideas for further work on strategies development and stakeholders’ engagement necessary for the continent’s energy transition in the post-COVID-19 world.

The South Centre also organized a webinar on “Carbon Trading: Panacea or Placebo for Africa’s Energy and Climate Policies?”, as part of the “Powering Africa after Covid-19: Options for Energy” webinar series. Building on the previous webinar series, this series aims to further discuss policy options to facilitate the energy transition in Africa and in the context of the health crisis. The first webinar aimed at assessing the feasibility of the carbon trading mechanism in/for Africa.

The webinar series promote and inform the African Energy Transition Program (AFRETRAP), an initiative the South Centre has helped to develop and is active in. These series allows the Centre to engage stakeholders from different institutional and regional backgrounds to participate in discussions around sustainable development in Africa in the context of COVID-19 and to explore ideas and partnerships for the energy transition.

The Senior Adviser finalized a number of joint proposals, including a joint proposal with 5 African universities for research and training on climate change and health to be funded by the African Academy of Sciences.

## **Publications**

### **Pathways for leapfrogging to reconcile development and climate change imperatives in Africa (Climate Policy Brief 24, July 2020)**

*By Smail Khennas and Youba Sokona*

<https://www.southcentre.int/climate-policy-brief-24-july-2020/>

19/11/2020 - SouthNews: G77 statement on global response to COVID-19, implementation of 2030 Agenda & achievement of SDGS

11/09/2020 - SouthNews: Sustainable Energy for Africa: transition through growth

19/08/2020 - SouthNews: COVID-19 impact actions across Africa. First-hand information from policymakers and leading experts

#### *External Publications:*

“Patents as environmental policy instruments”, in *Policy Instruments in Environmental Law*, Kenneth R. Richards and Josephine van Zeben, eds. (Edwar Elgar, 2020)

*By Carlos M. Correa*

“Reflection on ‘A View from the North: Gender and Energy Poverty in the European Union’” in *Engendering the Energy Transition*, J. Clancy, G. Özerol, N. Mohlakoana, M. Feenstra, L. Sol Cueva, eds. (Palgrave, 2020)

*By Mariama Williams*

**Use of weather and climate information essential for SDG implementation (Nat Rev Earth Environ 2, 2–4 (2021)).**

*By Youba Sokona et al.*

<https://doi.org/10.1038/s43017-020-00126-8>



**OPINION: In the face of COVID-19, rich countries are in danger of abandoning the poor (Thomson Reuters Foundation News, 24 August 2020)**

By Youba Sokona

<https://news.trust.org/item/20200824082835-pkj8f>

**Quelles transitions énergétiques en Afrique subsaharienne ? (Encyclopédie de l'énergie, 29 September 2020)**

By Youba Sokona and Smail Khennas

<https://www.encyclopedie-energie.org/transitions-energetiques-afrique-subsaharienne/>

**Greener Africa : 'It is scandalous that Africa has the world's highest prevalence of hungry people' (theafricareport, 7 October 2020)**

By Youba Sokona

<https://www.theafricareport.com/44166/greener-africa-placing-food-security-at-the-heart-of-africas-green-recovery/>

### Meetings/Webinars Organized

**Webinar Series: Energy for sustainable development in Africa in the post-COVID-19 world – looking for the New Normal, *COVID-19 impact actions across Africa. First-hand information from policymakers and leading experts***, organized with the African Energy Commission (AFREC) of the African Union, the Clean Energy Innovations Partnership (CEIP) and the South Centre – 16 July 2020



**Webinar Series: Energy for sustainable development in Africa in the post-COVID-19 world – looking for the New Normal, *Sustainable Energy for Africa: transition through growth. How to boost output, improve access and reduce impact on the nature and society? Technologies, scenarios, strategies, sources of finance and business models***, organized with the African Energy Commission (AFREC) of the African Union, the Clean Energy Innovations Partnership (CEIP) and the South Centre - 22 July 2020

**Carbon Trading: Panacea or Placebo for Africa's Energy and Climate Policies?**, organized with the African Energy Commission (AFREC) of the African Union, the Clean Energy Innovations Partnership (CEIP) and the South Centre - 8 October 2020

### Meetings/Webinars Attended

**Towards Economic Emancipation: Building connections to the Caribbean, Africa and the African diaspora for economic and social transformation Post COVID**, Institute for Law and Economics (Jamaica) and TIDE (Pan African Trade Investment, Development Empowerment - August 1, 2020

**Climate Finance Assessment: Opportunities for Scaling Up Financing for Clean Energy, Sustainable Landscapes, and Adaptation**, USAID-Climate Economic Analysis, Development, Investment, and Resilience (CEADIR) - August 6, 2020

**Parametric Insurance to Reduce the Risks of Renewable Energy Investments**, Climate Links and USAID - October 1, 2020

**International Caribbean Diaspora Entrepreneurs' Conference and Trade Show**, BIDEM, the Community of Practice for Caribbean Immigrant Entrepreneurs and Magate Wildhorse Consulting, The World Trade Organization, Reyerson University, University of the West Indies, Canada's Ministry of Small Business, Export Promotion and International Trade, and Jamaica's Ministry of Industry, Investment and Commerce, among others – October 13-15, 2020

**Launch of the UNITAR e-learning course on Anticorruption and Sustainable Development** – November 23, 2020

### *Climate finance and the GCF*

Developing countries continue to fall short of crucial financial, technical and capacity building assistance for meaningful climate action and for the implementation of the Paris Agreement. There were many electronic-based discussions on how to improve the flow of climate finance. The OECD once again issues its report on the state of play of the \$100 billion promised climate finance for climate action in developing countries. The long term finance team of the UNFCCC organized webinars under the Climate Dialogue Framework and the UNFCCC Standing Committee on Finance (SCF) held numerous virtual consultations and is currently preparing two key technical reports, the “2020 Biennial Assessment and Overview of Climate Finance Flows” and the “2020 Report on the Determination of the Needs of Developing Country Parties related to implementing the Convention and the Paris Agreement”. The SCF updated in April on the progress of the reports and launched a call for evidence to collect more information on data and methodological issues around climate finance.

The Standing Committee on Finance met, on September 28-30, for their first virtual meeting - and first meeting of the year. Issues considered and discussed included:

- 1) the new determination of needs report (now to be published in 2021)
- 2) SCF Forum 2021 (Theme: Nature-Based Solutions)
- 3) SCF [workplan](#)

### ***The Green Climate Fund (GCF)***

#### A. Fund Initiatives

In the second half of 2020, the GCF had scheduled two Board meetings. In its first ever virtual meeting (B26), the Board approved USD 878.6 million for a total of 15 funding proposals, including one from Sudan, despite objections to the latter by the United States. The Fund approved 16 new projects with more than USD 1 billion in funding for climate action at its most recent Board meeting (B27). Diverging views on the GCF Board's performance were expressed, with developing country Board members in support of a strong and effective Board.

#### B. South Centre as a GCF Delivery Partner

The delivery work with Lebanon under the project titled “Strengthening and enhancing Lebanon's institutional arrangements and capacity to enable and optimize access to the Green Climate Fund” aims to enhance institutional capacities of the National Designated Authority (NDA) in order to access GCF

funding and to develop a country programme for climate action continued. Five virtual multi-stakeholder consultations were prepared and implemented in September 18-October 13, 2020.

### **Publications**

16/12/2020 - [SouthNews: Spotlight on the 27th meeting of the Board of the Green Climate Fund](#)

24/09/2020 - [SouthNews: Spotlight on the 26th meeting of the Board of the Green Climate Fund](#)

### **Meetings/Webinars Organized**

**Green Climate Fund Private Investment Conference - National Plenary session. Lebanon**, South Centre, Ministry of Environment, Republic of Lebanon - October 19, 2020

#### **GCF South Centre-Lebanon virtual Multi-stakeholders' consultations**

Bureau Technique des Villes Libanaises (BTVL) NGO 18.09.2020

Elard Private Sector 25.09.2020

UNDP Public (multilateral) 30.09.2020

WHO Public (multilateral) 02.10.2020

GCNL (Global Compact Network Lebanon) Public (multilateral) 13.10.2020

### **Meetings/Webinars Attended**

**GCF twenty-sixth meeting of the Board (B.26, Virtual)** - 18 – 21 August 2020

**WGIII Light touch stocktaking meeting**, Inter-governmental Panel on Climate Change, WGIII – Mitigation - October 12-16, 19, 2020

**The Green Climate Fund Private Investment Conference** - October 14-16, 2020

**GCF twenty-seventh meeting of the Board (B.27, Virtual)** - 9 - 13 November 2020

**COP Mandated events - CLIMATE DIALOGUES In-session workshop on long-term climate finance (Part I)**, UNFCCC - 27 November 2020

## **7. Gender and development**

The South Centre organized several meetings relating to gender and various facets of development policies, participated in webinars and continued to publish its Beijing+25 Update Series in this semester.

### **Publications**

**Spotlight: Latin America and the Caribbean and the Implementation of the Beijing Platform for Action (Beijing+25 Update Series 5, 30 July 2020)**

<https://www.southcentre.int/beijing25-update-series-5-30-july-2020/>



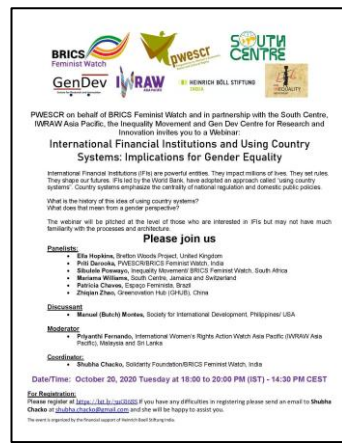
## Spotlight: Europe and the Implementation of the Beijing Platform for Action (Beijing+25 Update Series 6, 30 September 2020)

<https://www.southcentre.int/beijing25-update-series-6-30-september-2020/>

09/09/2020 - [SouthNews: Celebrating the Beijing Declaration and Platform for Action](#)

## Meetings/Webinars Organized

**International Financial Institutions and Using Country Systems: Implications for Gender Equality**, hosted with: BRICS Feminist Watch, South Centre, etc. – 20 October 2020



**South Feminists Organizing: Promoting accountability and gender justice in the sustainable finance and investment dimensions**, hosted with: BRICS Feminist Watch, South Centre, etc. - 15 December 2020

## Meetings/Webinars Attended

**Bridging the Digital Divide for Women in the Informal Economy, Self-Employed Women's Association (SEWA Bharat /SEWA Samvaad)** - 11 August 2020

**Super Focal Points Meeting, International Gender Champions** - 8 September 2020

**Gender Inequality and Macroeconomics at the World Bank**, BrettonWoods Project - 15 September 2020

**Gender Integration into National Climate Actions (Virtual Workshop on the Americas and the Caribbean)**, United Nations Framework Convention on Climate Change (UNFCCC) - 16 September 2020

**What the social contract means in the age of data - Feminists visions and perspectives?** IT for Change & the Women's Working Group on Financing for Development - October 7, 2020

**Symposium on Confronting the Climate Crisis: Feminist Pathways to Just and Sustainable Futures**, Consortium on Gender, Security, and Human Rights - October 7-9, 2020

**Gender Equality and Women's Rights – Close the Gap. FINAL CONSULTATION SESSION AND STRATEGY WORKSHOP**, Citizens for Financial Justice, Feminist Task Force, KVindernes U-Landsudvalg (KULU) – 15-16 October 2020

**Inaugural Gender and Development Forum For the 15th Session of the United Nations Conference on Trade and Development, *From Inequality and Vulnerability to Prosperity for All. Regional and Global South Consultation*** – 30 October 2020

**Final 2020 IGC Super Focal Points Meeting**, International Gender Champions, 30 October 2020

**Virtual Roundtable on Canada's Feminist Foreign Policy**, The Feminist Foreign Policy Working Group in Canada - 18 November 2020

**Inaugural Gender and Development Forum of the 15th United Nations Conference on Trade and Development (UNCTAD 15), Caribbean Consultation**, Office of the Principal and the Institute for Gender and Development Studies, The University of the West Indies – 24 November 2020

**COP Mandated events - CLIMATE DIALOGUES 2020 GLOBAL GENDER EVENT - Part I: Acting on the gender and climate GAP: progress and reflections; Part 2: Women for Results: showcasing women's leadership on climate change**, UNFCCC - 26 November 2020

**Global Town Hall for Macro Solutions for Women, People and Planet Series**, Women's Working Group on Financing for Development, Asian Peoples' Movement on Debt and Development, DAWN, the Indigenous Peoples Major Group for Sustainable Development, TWN, Society for International Development Center for Research on Multinational Corporations (SOMO) - 2 December 2020

**The Deal We Always Wanted: A dialogue on a feminist digital economy**, FES, IT for Change - 15 December 2020

## 8. WTO reform

Until now, there continues to be no agreed definition or direction regarding 'WTO Reform' by the World Trade Organization (WTO) Members. Developed countries largely have driven this 'WTO Reform' agenda – mainly the United States (US), although they have also worked very closely with the European Union (EU) and Japan (convening the so-called 'trilateral' meetings at ministerial level). Although some elements of the proposed 'reform' have been spelled out by the proponents (see South Centre's Semester Report January-June 2020, available at <https://www.southcentre.int/south-centre-semester-report-january-june-2020/>) discussions have been fragmented and characterized by a deep divide between the views of developed and developing countries. The issues of relevance to the latter have been thoroughly examined in the South Centre's book by Faizel Ismail, **WTO REFORM AND THE CRISIS OF MULTILATERALISM. A DEVELOPING COUNTRY PERSPECTIVE** (available at <https://www.southcentre.int/book-by-the-south-centre-2020-3/>).

The plurilateral negotiations (the so-called Joint Statement Initiatives or 'JSIs') - convened mostly by developed countries with the participation of subsets of members - have continued during this semester with substantive discussions. The key JSIs now taking place include E-Commerce, led very much by US interests in a regime of free flow of data, and Domestic Regulation, spurred by a range of developed countries and other members. A JSI has also been launched in relation to Investment Facilitation with 106 members participating in the negotiations (see below).

It is still unclear, however, how the negotiating outcomes of the JSIs, if reached, would be incorporated into the multilateral system. Will there be an occasion for multilateral decision-making or not regarding the final outcome? In order to address this issue, the South Centre has looked in detail at and discussed with developing countries' delegations the legal arguments made about how the outcomes of JSIs can be inserted into the WTO framework of rules without consensus, noted the weaknesses and discrepancies in these arguments - including the use of some creative reinterpretation of historical events - and what can and cannot be done in accordance to the WTO's 'constitution', the Marrakesh Agreement.

Other major elements of 'WTO Reform' submitted mainly by developed countries in 2019 and early 2020 have been repeatedly put on the agenda of the relevant committees:

- Strengthened transparency and notification procedures that would increase Members' enforcement obligations and change the balance of rights and obligations enshrined in existing Agreements.<sup>5</sup>
- Expanded role for regular committees whereby when specific trade concerns are raised in writing (and any number can be raised), there must be written responses. An informal mediation procedure has also been suggested. The intention is to use the regular WTO bodies as a forum to exert further scrutiny regarding countries' trade policies.
- The removal of special and differential treatment (S&D) for many developing countries<sup>6</sup>. This would mean changing Members' existing rights and obligations in WTO Agreements, and changing fundamentally the architecture of S&D. From being a right that is treaty embedded, it would be provided only on an evidence-based, case-by-case basis, which will mean that developing countries, including least developed countries (LDCs), will be dependent on the goodwill and judgment of others (particularly developed countries) before they can receive flexibilities.
- Disciplines on industrial subsidies and possibly state owned enterprises. An official proposal has not yet been brought to the WTO, however, high level statements by the trilateral group (US, EU, Japan) have been issued. This agenda is supposedly primarily targeted at China, but will hit all developing countries attempting to support their domestic industries.
- Reform of the Dispute Settlement Body. The US under the Trump Administration has been bent on disabling the Appellate Body of the WTO. To date it has made this body moribund. The EU has stepped in to propose an alternative that is problematic - a 'Multi-Party Interim Agreement' (MPIA) which is a forum for a plurilateral group of signatories to go into arbitration should they have disputes with one another. This alternative system is not multilateral, and raises many questions, including that countries outside the agreement, such as the US, may enjoy a 'special treatment'.
- The proposal on the market economy, submitted in early 2020, requesting for a General Council decision to have disciplines prohibiting governments from intervening in the economy, has reappeared on the WTO's General Council meeting agenda this semester. This proposal, already odd before the COVID-19 crisis given the US and other governments' activist role in industrial

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<sup>5</sup> Aileen Kwa and Peter Lunenborg, *Notification and Transparency Issues in the WTO and the US' November 2018 Communication*, South Centre Research Paper 92 (March 2019). Available from <https://www.southcentre.int/research-paper-92-march-2019/>.

<sup>6</sup> The US proposal excludes 34 developing countries from Special and Differential Treatment, based on these 4 criteria: i) Member of the Organisation for Economic Co-operation and Development (OECD) or in accession to the OECD; ii) Member of the Group of Twenty (G20); iii) a 'high income' country according to the World Bank classification; iv) accounts for 0.5 or more of global merchandise trade (imports and exports). See the US' submission "Procedures to Strengthen the Negotiating Function of the WTO: Draft General Council Decision", WT/GC/W/764/Rev.1, November 2019.

- policy, looks quite ludicrous in the context of COVID-19 and the strong intervention by the US federal government to support certain companies to reshore, manufacture and conduct research.
- It is important to note that developed countries have also used the COVID-19 pandemic in 2020 to push more urgently for the need for WTO Reform. Their pre-COVID agenda on WTO reform has not changed. If anything, they have added to this agenda other items, namely, the liberalization of certain health related products; and the push for stronger disciplines on export restrictions.

Importantly, a developing country submission on WTO Reform was submitted and discussed in the General Council meeting in December 2020. This submission is intended to galvanize developing countries towards a 'WTO Reform' narrative that is development friendly and which encompasses the interests of developing countries across a broad spectrum. This includes the interests of developing countries at the WTO vis-a-vis the current pandemic.

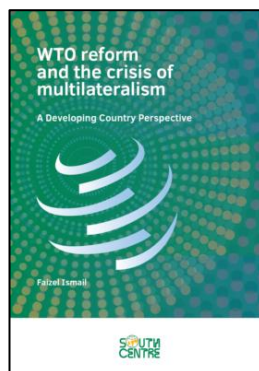
The South Centre has provided analyses and research on the proposals on WTO reform. It has also convened many meetings of developing countries to discuss its analysis and research, for countries to share their perspectives with one another. In addition, upon the request of developing countries, the Centre has also provided research and inputs, and held discussions on what a holistic development-oriented WTO reform agenda might be for developing countries i.e. a counter narrative from the WTO Reform agenda of largely the developed Members. The main emphasis of a development oriented reform agenda is on ensuring that developing countries are able to industrialize, including in the digital era, and provide employment.

## **Publications**

### **WTO reform and the crisis of multilateralism – A Developing Country Perspective (2020)**

*By Faizel Ismail*

<https://www.southcentre.int/book-by-the-south-centre-2020-3/>



### **Digital Transformation: Prioritizing Data Localization (SouthViews No. 206, 25 September 2020)**

*By Bilal Zaka*

<https://www.southcentre.int/southviews-no-206-25-september-2020/>

## **Meetings/Webinars Organized**

### **Virtual Meetings:**

- 17 July - Zoom Online Meeting in Preparation for TNC and GC
- 24 July - Zoom Online Meeting on WTO Reform
- 5 August - Zoom Online Meeting - Brainstorming and Planning

- 7 August - Zoom Online Brainstorming Meeting on WTO Reform, COVID, How to Move Forwards
- 4 September - Zoom Online Meeting on WTO Reform, Joint Statement Initiatives and WTO Rules
- 24 September - Zoom Online Meeting on WTO Reform and the Legal Status of Joint Statement Initiatives

#### Webinars:

- 2 September - Strengthening the Multilateral Trading System to Foster Development: Prospects and Challenges, featuring former South African Minister Rob Davies
- 3 September - WTO Reform: What is on the Table and What Needs to be Done
- 8 September - Institutional Reform of WTO
- 7 October - Relevance of Special and Differential Treatment Provisions at the WTO
- 14 October - Access to affordable medicines: Rethinking IPR protection (part of WTO Reform from the perspective of developing countries)
- 20 October - Hidden hand of the State behind the Technology Edge: What can the WTO do?
- 27 October - Protecting Traditional Knowledge and Countering Bio-piracy (part of WTO Reform)
- 11 November - Identifying common ground among developing countries



- 17 November - Reviving the skill of coalition building

#### Meetings/Webinars Attended

#### Webinar:

- 22 October - RIS webinar on WTO@25

### 9. WTO and the agriculture negotiations

The negotiations in agriculture have been directed towards discussing / negotiating what the ‘deliverables’ for the next Ministerial Conference (MC12) could be. Domestic supports continues to be an issue of major controversy, as the rules at the WTO in the area of subsidies have been notorious to be imbalanced against the interests of developing countries. Up till today, most developing countries have only a very miniscule amount of ‘trade-distorting supports’ they can legally provide – what is known as the ‘*de minimis*’, which, if provided to specific products, was set at 10% of the value of production (VOP) of a



crop in a year (this is only 8.5% for China due to the terms of its accession agreement). Developed countries had 5% of product-specific *de minimis*, but **in addition**, most had billions of entitlements in ‘trade distorting supports’. EU has what is called ‘final bound AMS (Aggregate Measure of Support)’ entitlement of \$95 billion, the US \$19.7 billion. For the EU and US, these large entitlements were used to provide large subsidies to specific products e.g. dairy, cotton and rice.

Today, at the WTO, developing countries continue to ask for this imbalance to be rectified. Many are asking for all the ‘final bound AMS’ entitlements to be eliminated, hence leaving all Members with a level playing field - only with *de minimis* entitlements. Developed countries are now and arguing that they will reduce their AMS entitlements and *de minimis* supports when developing countries agree to cut into their already very small *de minimis* entitlements.

Riding on the food security challenges resulting from COVID-19, those countries who before COVID were pushing for stronger disciplines on export restrictions in agriculture have taken this issue up. There is a strong push now to ensure that Members cannot turn away the World Food Programme when it wants to make food purchases. The proponents also promoted their viewpoint in G20 meetings.

As noted, suggestions for tougher enforcement of notification obligations are being put forward for possible harvesting at the next Ministerial. Most developing countries have taken the position that they do not have the capacity to fulfill even existing transparency obligations.

The two issues that many developing countries do want to see progress in are in the areas of public stockholding programmes (PSH) and the Special Safeguard Mechanism (SSM). There are specific mandates for these issues. Nevertheless, there is a lot of resistance from countries such as those in the Cairns Group.

The role of the South Centre has been critical in providing historical knowledge of the negotiations and analyses of the day-to-day submissions, as well as convening discussions on the above issues to strengthen the capacity of developing countries to pursue their interests and effectively influence the outcomes of the negotiations.

### Meetings/Webinars Organized

#### **Virtual Meetings:**

- 5 November - South Centre Zoom Meeting in preparation for COA-SS

#### **Webinars:**

- 22 September - Equitable Agricultural Reforms



- 26-28 October - Virtual Training Workshop on WTO agricultural negotiations and their impact on trade of agricultural products among the OIC Member States

## 10. Fisheries subsidies

The negotiations on fisheries subsidies continued during the 2<sup>nd</sup> semester of 2020. Despite that some WTO Members called for conclusion of negotiations by December 2020 this proved impossible due to challenges encountered in organizing (physical) meetings as a result of the COVID-19 pandemic situation as well as the continued large divergences between more developed fishing nations and developing countries. On 25 June 2020, the Chair of the Rules Negotiating Group issued a draft consolidated text which was revised on 2 November. The facilitators' work folded up (see also South Centre's 1<sup>st</sup> semester report) and negotiations revolved around the draft consolidated texts. Various textual proposals on selected issues of the draft consolidated text were sometimes documented in the Chair's communications to Members (but not archived as a WTO document).

While certain issues became more crystalized in the draft consolidated texts, including a focus on the list-based approach under the overfishing and overcapacity pillar, on many issues delegations maintained divergent positions. As such, many issues remained bracketed in the (revised) draft consolidated texts. These issues include the extent of fisheries management obligations and interaction with WTO dispute settlement, whether Members should entertain a capping approach with caps to be negotiated among certain large fishers, the prohibition of subsidies to vessels not flying the flag of the Member, whether subsidies to operators which engage in illegal, unreported and unregulated (IUU) fishing should be prohibited, the approach and scope of Special and Differential Treatment, various issues in dispute settlement, and to what extent disciplines should apply depending on the type of fishing sector (e.g. artisanal, small scale, large scale).

The South Centre engaged with its members on many aspects of the fisheries subsidies including:

- The importance of a list-based approach in the overfishing and overcapacity pillar
- The principle of Members that engage in distant water fishing should take the lead in subsidy prohibition, akin to the principle in the climate negotiations that historical carbon emitters should take the lead in mitigation
- The importance of different treatment for artisanal and small scale fisheries, given that most subsidies are provided to large scale fisheries and the importance of small scale fisheries for livelihoods. In addition, implementation and monitoring of disciplines which exclude small scale or apply to large scale would be easier. Estimates reveal that globally there are around 160,000 large scale vessels accounting for more than half of the world's capacity (when measured in gross tonnage) on a total of a few million vessels.
- Special and Differential Treatment and possible objective and verifiable fisheries-relevant development indicators
- The list of subsidies to be prohibited and the list of subsidies deemed not to be harmful
- Due process with respect to IUU determinations

### Publications

#### **Analysis of the Overcapacity and Overfishing Pillar of the WTO Fisheries Subsidies Negotiations (Research Paper 122, November 2020)**

*By Peter Lunenborg*

<https://www.southcentre.int/research-paper-122-november-2020/>

### Meetings /Webinars Organized

#### **Virtual Meetings:**

- 10 July - Zoom Online Meeting on Fisheries Subsidies - Commentary on the Draft Consolidated Text
- 20 July - Zoom Online Meeting on Fisheries Subsidies for Pacific delegates
- 2 September - Zoom Online Meeting on Fisheries Subsidies - fish stock assessment

**Webinar: Discussion on Stock Assessments**

Food and Agriculture Organization of the United Nations

**SOUTH CENTRE**

**Speaker: Rishi Sharma, Senior Fisheries Officer, Marine and Inland Fisheries Branch, Food and Agriculture Organization of the United Nations (FAO)**

*Lead analyst for assessing the new methodology and running global stock assessment evaluations. He also works on inland and marine fisheries in SE Asia and east Africa.*

*Lead scientific officer on deep sea fisheries, and global tuna fisheries in open access waters.*

**Moderator: Peter Lunenborg, Senior Programme Officer, Trade for Development Programme (TDP), South Centre**

Register Here: <https://bit.ly/3gi5CAL>

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Wednesday, 2 September 2020; 10h-11h30 (local Geneva time)

- 8 September - Zoom Online Meeting on Fisheries Subsidies – Overfishing and Overcapacity
- 9 September - Zoom Online Meeting on Fisheries Subsidies – Special and Differential Treatment
- 11 September - Zoom Online Meeting on Fisheries Subsidies - RNG preparation
- 28 September - Zoom Online Meeting on Fisheries Subsidies
- 5 October - Zoom Online Meeting on Fisheries Subsidies
- 14 October - Zoom Online Meeting on Fisheries Subsidies
- 20 October - Zoom Online Meeting on Fisheries Subsidies
- 24 November – Zoom Online Meeting on Fisheries Subsidies
- 30 November - Zoom Online Meeting on Fisheries Subsidies

## 11. WTO and investment facilitation

A Group of 56 WTO Members started a process on Investment Facilitation under the Joint Statement Initiative approach on the sidelines of the 11th Ministerial Conference held in Buenos Aires in 2017. While, as noted above, the legal status of such initiatives is unclear, particularly how they are going to be incorporated into the WTO multilateral system, Members participating in this JSI increased to 106 by December 2020.

The participating countries are working on the basis of an Informal Consolidated Text (ICT) with draft provisions aimed at establishing an Investment Facilitation Framework (IFF). Currently the ICT is in its 6<sup>th</sup> Revision. The process is still in an early stage and many changes are likely to occur as the negotiations move forward. The South Centre has provided detailed analyses of the text in support of the members participating in the negotiations.

### Meetings/Webinars Organized

#### **Virtual Meeting:**

- 30 September - Zoom Online Meeting on IFF: Focus on scope, definitions, and MFN

## 12. North-South FTAs (e.g EPAs)

The first comprehensive Economic Partnership Agreement (EPA) negotiations with the EU in Africa were launched this year (Eastern and Southern Africa (ESA) EPA). South Centre continued to monitor these negotiations and provided on-request ad hoc advice.

The US-Kenya free trade agreement (FTA) negotiations were in focus during the 2<sup>nd</sup> semester of 2020. South Centre worked with governmental and non-governmental stakeholders to provide advice in these negotiations.

Another negotiation were the United Kingdom (UK) 'roll-overs' of the EU EPAs with Kenya, Cote d'Ivoire and Ghana (the non-LDCs which have signed or ratified an EPA), as UK could not benefit from existing EU FTAs as of 1 January 2021. South Centre provided assistance in these negotiations, inter alia, suggesting that the East African Community (EAC) EPA is not yet in force and thus cannot be 'rolled over' as such or integrating preferential treatment into the UK Generalised Scheme of Preferences (GSP) from 1 January 2021 onwards.

### **Publications**

*External Publication:*

- Article in the East African on the UK-Kenya FTA

### **Meetings/Webinars Attended**

**Webinar:**

- 20 August – Webinar on Proposed UK-Kenya trade agreement, 20 August 2020

## 13. Brexit

On request of member States, South Centre organized a meeting on the implication of Brexit on EU Goods schedules.

### **Meetings/Webinars Organized**

**Virtual Meeting:**

- 3 July - Zoom Online Meeting on Brexit - EU Goods Schedule

## 14. AfCFTA

The African Continental Free Trade Area (AfCFTA) negotiations were hampered by travel and sanitary restrictions, however it was decided that AfCFTA meetings would continue through on-line means. The 'start of trading' was moved to 1 January 2021, i.e. the first tariff cut for countries with submitted and agreed tariff offers takes place on this date. By December 2020, several State Parties and Customs Unions had submitted offers comprising 70-90% of their total tariff lines (depending on the offer). These included the Economic Community of West African States (ECOWAS), Central African Economic and Monetary Community (CEMAC), Southern African Customs Union (SACU), EAC, Madagascar, Malawi,

Mauritius, Seychelles, Egypt, São Tomé and Príncipe, Democratic Republic of Congo and Zambia. However these were initial offers and as such not yet fully negotiated and adopted. If implemented it would appear to constitute a significant trade liberalizing effort on the continent to be phased in during a period of around 10 years (depending on the offer) starting from 1 January 2021.

South Centre provided ad hoc advice to African Union (AU) Member States and the AU Commission on request. One of the issues was the pragmatic step of submission of offers containing 90% of tariff lines instead of offers which would liberalize 97% of tariff lines and 90% of value of imports (which remains the very ambitious end goal for the AfCFTA). Rules of origin was another focus issue during the 2<sup>nd</sup> semester of 2020, in particular agreement on substantive rules of origin and how to implement tariff concessions on tariff lines without agreed AfCFTA rules of origin. By December 2020, around 82% of the rules of origin were agreed. Rules of origin can be important policy tools for domestic value addition and/or avoidance of trade deflection (e.g. import from outside Africa and re-export with minimal value addition).

## **Publications**

### *External Publication:*

- Article in Nairatimes on African Continental Free Trade Area Rules of Origin

## **Meetings/Webinars Attended**

### **Webinars:**

- 29 July - Zoom Online Webinar on African Continental Free Trade Area (AfCFTA), with Manufacturer's Association of Nigeria (MAN)
- 24-28 August 2020: - 19th AfCFTA Negotiating Forum
- 30 September 2020 – 11<sup>th</sup> Meeting of the AfCFTA AU Ministers of Trade
- 12 October 2020 - 20th AfCFTA Negotiation Forum
- 23 October 2020 - 13th Meeting of the AfCFTA Senior Trade Officials
- 27 October 2020 - 12<sup>th</sup> Meeting of the AfCFTA AU Ministers of Trade

## **15. Workshops for South Centre Member States on WTO issues**

On request, and within its resources, the South Centre offers workshops to its member States, to Geneva- as well as capital-based officials. During the 2<sup>nd</sup> semester of 2020, 2 such workshops, for Iran (7 July) and Sudan (15 December), were organized, respectively covering a wide range of WTO issues.

## **16. South-South cooperation**

South-South cooperation has proved to be an important framework of collaboration for developing countries to combat the challenges posed by the COVID-19 pandemic and support their recovery efforts. The provision of health supplies and medicines from developing countries to those in need and exchanges of experiences, good practices and technical assistance among Southern countries have highlighted their ability and willingness to cooperate for building resilience, enhancing solidarity and advancing sustainable development.

The United Nations (UN) Secretary-General has observed that “Southern countries are demonstrating the spirit of South-South cooperation, equal partnership and global solidarity during the pandemic, by

collaborating in science, technology and innovation, delivering medical supplies, providing financial resources, sending health workers and experts to bridge gaps in capacity, and sharing best practices”<sup>7</sup>.

The South Centre, together with the Islamic Development Bank and the United Nations Office for South-South Cooperation, organized a webinar on “South-South and Triangular Cooperation in the Context of COVID-19: Lessons, Experiences and Insights for the Future of Development Cooperation”, with the objective of providing an opportunity to discuss early lessons learned and share experiences from the development cooperation scene in the context of the ongoing pandemic, while looking into specific insights about how South-South and Triangular Cooperation (SSTrC) has been used so far, and how it can further be strengthened to benefit development cooperation in times of severe and sudden external shocks in the future.

During this webinar, participants recognized the potential of South-South Cooperation (SSC) and how it must be leveraged further for enabling developing and least developed countries to recover back quickly and effectively from the sanitary and economic impacts of the pandemic. The provision of non-conditional assistance in various spheres of cooperation and exchange of relevant and practical experiences can help in this regard. Many virtual events have been organized during this period, including by the South Centre, to enable developing countries to share their good practices and how they are using SSC in their recovery efforts.

As the United Nations celebrated its 75<sup>th</sup> Anniversary last year (2020), it has become ever more imperative that SSC is brought further into its mainstream, using the unique advantages and experiences of the South and its people to build back better towards a more just and equal world.

The Declaration on the commemoration of the seventy-fifth anniversary of the United Nations (A/RES/75/1) emphasizes that “strengthening international cooperation is in the interest of both nations and peoples”. The expansion of SSTrC is therefore essential for achieving the 2030 Agenda for Sustainable Development, reducing global inequality and building resilience for future challenges. Cooperation in new and emerging fields, such as digital technologies is required to ensure that the benefits of these are equally distributed. The sharp decline in global foreign direct investment (FDI) has also created new opportunities for South-South trade and investment to flourish even further.

During this semester, the South Centre and the Islamic Development Bank continued to work closely to operationalize the national ecosystem for SSTrC which has been acknowledged by international institutions and national authorities. Research work has been conducted to elaborate how the system could be used at the national levels. Training modules for policy makers and practitioners have been drawn up and will be implemented in 2021.

### **Publications**

12/09/2020 - [SouthNews: Enhance South-South cooperation in the era of COVID-19 and the recovery process](#)

### **Meetings/Webinars Organized**

**Webinar on “South-South and Triangular Cooperation in the Context of COVID-19: Lessons, Experiences and Insights for the Future of Development Cooperation”**, organized together with the Islamic Development Bank and UNOSSC - 15 September 2020

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<sup>7</sup> See <https://www.un.org/press/en/2020/sgsm20242.doc.htm>.

## Meetings/Webinars Attended

**Webinar on “Regional, Sub-regional and Interregional Organizations in the Global South as Actors in Responding to COVID-19”**, organized by UNOSSC and UNDP Seoul Policy Centre – 15 July 2020

**Webinar on “Building Resilient Societies post-COVID-19 in the Global South”**, organized by UNOSSC, African Peer Review Mechanism (APRM), Permanent Mission of Uganda to the United Nations and the African Union – 16 July 2020

**Webinar on “Supporting SMEs in Response to the COVID-19 Pandemic in Asia-Pacific”**, organized by UNOSSC and UNESCAP – 22 July 2020

**Session on the “Growth of China and its cooperation with the rest of the world” for the UNCTAD Summer School** - 20 August 2020

**Virtual High-Level Event on “Pathways Toward the SDGs through South-South Solidarity Beyond COVID-19”**, organized by UNOSSC on the sidelines of United Nations Day for South-South Cooperation 2020 – 10 September 2020

**Webinar on “Arab States South-South and Triangular Cooperation – Experiences and Lessons Learned”**, organized by the Islamic Development Bank, the Office of the UN Secretary-General’s Special Adviser, the UNOSSC and UNDP – 27 October 2020

**COMSATS Consultative Committee Meeting** – 11 November 2020

## **17. Development finance**

To respond effectively to the pandemic is an extremely costly process. It is particular so for countries with weak healthcare systems and economies dominated by informal and cash-based sectors and for small island and other countries dependent on tourism and commodity exports. However, with the synchronized global economic recession and the destruction of important growth engines like tourism and trade, many developing countries have run into fiscal crisis and escalation of foreign and domestic debt. Financing for development has been of extreme importance for flattening the curve of COVID-19 and building back better.

Debt situation for developing countries had already worsened before the pandemic. Many developing countries had seen a rise in debt ratios, fast increase of private and public debt, and decline in foreign reserves, which has increased the near-term likelihood of external stress. Some countries have entered the crisis with heavy debt burden and are facing high risks of unsustainable debt.

To allow countries to concentrate on saving lives and livelihood, it is essential to provide countries hit hard by the pandemic and facing debt problems with needed liquidity and debt relief to allow breathing space and use the limited resources to respond to the pandemic.

The debt service suspension initiatives by the Group of Twenty (G20) and the international financial institutions were welcome but far from sufficient. The implementation of the G20 Debt Servicing Suspension Initiative (DSSI) has also run into some difficulties as it has not given due consideration to the changing landscape of developing country debt. The United Nations system has actively pursued the Initiative on Financing for Development in the Era of COVID-19 and Beyond to provide policy analysis and recommendations to the international processes and the Heads of States. It is an inclusive process involving all important stakeholders and all UN Member Countries. The South Centre has been invited to be a member of the discussion groups on debt sustainability and the private sector. Contribution to the discussion via presentations and inputs by the South Centre have been acknowledged. The Centre has also actively been involved in various high level meetings and webinars. Being an observer of the

Intergovernmental Group of 24 on International Monetary Affairs and Development, the Centre participated in the ministerial meeting and circulated the statement of the Executive Director.

The South Centre's contributions have been welcomed and proved to be valuable in opinion shaping and the policy formulation process.

### **Publications**

13/10/2020 - [SouthNews: South Centre Statement to the G-24](#)

#### *External Publications:*

**Effects of foreign debt and other related international financial obligations of States on the full enjoyment of all human rights, particularly economic, social and cultural rights (Report for the United Nations General Assembly, A/75/164, 16 July 2020)**

By Yuefen Li

<https://digitallibrary.un.org/record/3878983?ln=en>

**Options to consider for a human rights based debt relief during COVID-19 for developing countries (note for governments, 20 August 2020)**

By Yuefen Li

<https://www.ohchr.org/Documents/Issues/IEDebt/NotePMOnDebtCovid-19.pdf>

**Has the International Debt Architecture Failed the COVID-19 Pandemic Test? (published paper in the journal *International Banker*, 8 December 2020)**

By Yuefen Li

<https://internationalbanker.com/finance/has-the-international-debt-architecture-failed>

### **Meetings/Webinars Attended**

**Roundtable Discussion on Options to Enhance the Role of Special Drawing Rights (SDRs) in the Global Reserve System**, organized by Intergovernmental Group of 24 on Monetary Affairs and Development – 1 July 2020

**Dialogue of the Minister of Argentina on debt restructuring** – 30 July 2020

**Follow-up to the High-Level Event on Financing for Development in the Era of COVID-19 and Beyond**, organized by the UN S-G's Office together with the Prime Ministers of Canada and Jamaica – 6 August 2020

**Regional conversation on financing for development in the era of COVID-19 and beyond in Asia and the Pacific** – 31 August 2020

**High-level virtual hearing: *Dealing with debt to finance the SDGs - Taking the right policy steps in times of a pandemic***, hosted by Spokespersons on finance and development cooperation of Denmark, Norway and Sweden – 3 September 2020

**Debt Forum, roundtable discussion about "A Pandemic test for international financial architecture"** – 14 September 2020

**President of Costa Rica and ECLAC event on the Formulation of a Special Fund** – 25 September 2020



**HIGH-LEVEL MEETING ON FINANCING FOR DEVELOPMENT IN THE ERA OF COVID-19 AND BEYOND.** FfD Heads of States meeting – 29 September 2020

**Annual Deputies Meeting of G 24 Ministers of Finance and Central Bank Governors of the Intergovernmental Group of Twenty-Four (G24)** – 7 and 8 October 2020

**Virtual meeting of the UNDESA Inter-agency Task Force on Financing for Development** – 9 October 2020

**Global Economy Forum**, organized by OHCHR – 9 October 2020

**South Centre's statement was circulated at the Annual G24 meeting of finance ministers** – 13 October 2020

**Presentation of paper to the United Nations General Assembly by Yuefen Li** – 23 October 2020

**OSF virtual meeting with grantees on debt relief** – 28 October 2020

**Heads of States meeting on FfD** – 29 October 2020

**Webinar on Green Global Recovery in the Time of COVID-19: Potential Debt Solutions in Three Developing Countries**, organized by the Global Development Policy Center of the University of Boston – 10 December 2020

## **18. South Centre 25<sup>th</sup> Anniversary**

The South Centre is celebrating its 25<sup>th</sup> Anniversary in the year 2020. The Centre was established by an Intergovernmental Agreement which came into force on 31 July 1995. Its predecessor, the South Commission, recognized the need to strengthen South-South cooperation in international affairs. In its report The Challenge to the South, the South Commission emphasized the need for countries of the South to work together at the global level. That is why the Commission recommended the creation of a South organization charged with undertaking this challenge. The South Centre, an independent intergovernmental think-tank of developing countries, was then created to analyze the development problems of the developing countries, encourage them to value and share their common experience and provide intellectual and policy support for them to act collectively and individually, particularly at the international level.

The South Centre is very grateful for the warm wishes and pledges of continued support expressed, and reaffirms its commitment to remain at the service of its Member States and the South at large.

The South Centre had a social media campaign, as well as released several publications and held an event on the occasion of its 25<sup>th</sup> anniversary.

### **Publications:**

#### **Messages Celebrating 25 Years of the South Centre (2020)**

<https://www.southcentre.int/messages-celebrating-25-years-of-the-south-centre/>





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