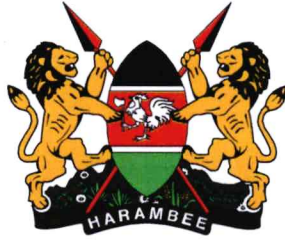


**REPUBLIC OF KENYA**

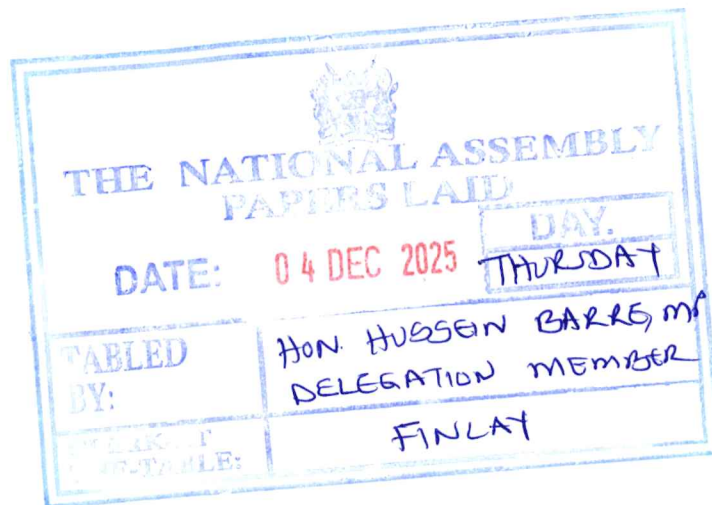


*Approved  
SAA  
4/12/2025*

**PARLIAMENT OF KENYA  
THIRTEENTH PARLIAMENT**

2025 Hearing of the Inter-Parliamentary Union at the United Nations

**REPORT OF THE PARLIAMENT OF KENYA  
DELEGATION TO THE 2025 HEARING OF THE INTER-  
PARLIAMENTARY UNION HELD AT THE UNITED NATIONS IN  
NEWYORK, USA  
13<sup>TH</sup> - 14<sup>TH</sup> FEBRUARY, 2025**



Clerks Chambers  
Parliament Buildings  
**NAIROBI.**

June 2025

## **PREFACE**

**Mr. Speaker Sir,**

The Parliament of Kenya participated in the 2025 Inter-Parliamentary Union (IPU) Parliamentary Hearing at the United Nations Headquarters in New York from 13<sup>th</sup> to 14<sup>th</sup> February 2025. The central theme was "*Scaling up action for the Sustainable Development Goals (SDGs): Finance, Institutions, and Politics.*" The delegation from Kenya, representing both the Senate and National Assembly, joined over 180 parliamentarians from 60 countries to deliberate on strategies to accelerate the implementation of the 2030 Agenda.

**Mr. Speaker Sir,**

The hearing highlighted that only 17% of SDG targets are on track, urging urgent action to address financing gaps, weak institutional engagement, and lack of political will. Sessions covered a wide range of interlinked themes including mobilizing political will, institutionalizing SDG oversight, enhancing development cooperation, domestic tax reforms, sustainable debt management, trade for development, and leveraging private investments for the SDGs.

**Mr. Speaker Sir,**

The key takeaways from the hearing are as follows-

- (i) Strengthening parliamentary roles in SDG implementation through legislation, oversight, and budget alignment.
- (ii) Reforming international financial architecture to support equitable debt restructuring, fair taxation, and predictable development aid.
- (iii) Promoting inclusive trade policies and investment frameworks that prioritize sustainability and human rights.
- (iv) Enhancing accountability, transparency, and public trust in governance.

**Mr. Speaker Sir,**

The hearing emphasized the need for parliaments to champion people-centered policies in education, health, climate action, and infrastructure. Delegates proposed innovative financing solutions, including global taxes, climate-resilient bonds, and increased public-private partnerships. Contributions from various countries showcased best practices, challenges, and policy recommendations relevant to the upcoming Fourth UN Conference on Financing for Development in Seville, Spain.

**Mr. Speaker Sir,**

The delegation acknowledges the cooperation and support accorded to the delegation by the Permanent Mission of the Republic of Kenya to the United Nations. Similarly, we thank the offices of the Speakers and the Clerks of the Houses of Parliament, and the Secretariat that accompanied the delegation for the support extended to the delegation in participating in the parliamentary hearings.

**Mr. Speaker Sir,**

It is our pleasant duty, to table the report of the delegation to the 2025 IPU parliamentary hearing at the United Nations that took place from 13<sup>th</sup> and 14<sup>th</sup> of February 2025 at the UN Headquarters in New York.

Signed.....

**Sen. Catherine Muyeka Mumma, MP**

Signed.....

**Hon. Fred Kapondi, MP**

Date: .....

Date: .....

## **A. INTRODUCTION**

1. The Inter-Parliamentary Union and United Nations General Assembly hosted a two-day 2025 parliamentary hearing that took place on 13<sup>th</sup> and 14<sup>th</sup> February, 2025 and considered the priority theme of, "*Scaling up action for the sustainable development goals: Finance, Institutions, and politics*".
2. The Parliament of Kenya was represented by Members of Parliament from both Houses of Parliament (Senate and the National Assembly), comprising-
  - (i) Sen. Catherine Muyeka Mumma, MP, Speaker's Panel
  - (ii) Hon. Fred Kapondi Chesebe, MP
  - (iii) Hon. Donya Dorice Aburi, MP
  - (iv) Hon. Hussein Barre Abdi, MP
  - (v) Hon. Letipila Eli Dominic, MP
  - (vi) Sen. Allan Chesang', MP

## **B. BACKGROUND**

3. The Annual Parliamentary Hearing at the United Nations (UN) is organized in close collaboration with its various bodies. Its importance resides in its active contribution to developing working papers on the matters at hand and highlighting the parliamentary dimension of these issues in order to enable parliamentarians to better understand the decision-making mechanisms of the United Nations and present their analyses to the Member States based on their national and local expertise.
4. The hearing took an in-depth look at ways to reboot the 2030 Agenda for Sustainable Development Goals (SDGs) which represent a global roadmap to combat poverty and bridge the gap between rich and poor individuals. The Sustainable Development Goals (SDGs), also known as the Global Goals, are a universal call to action adopted by the United Nations in 2015 to end poverty, protect the planet, and ensure that all people enjoy peace and prosperity by 2030. All UN member states are committed to implementing the SDGs and reporting on

SDGs and reporting on their progress. The SDGs are a call to action for all countries, regardless of their level of development, to promote prosperity while protecting the planet.

5. The Sustainable Development Goals Report 2024 reveals that only **17%** of SDG targets are on track, with nearly half showing minimal or moderate progress and over one-third stalled or regressing. The hearing sought to turbocharge its 17 SDGs, designed to fight poverty, reduce inequality and reset the planet on a more sustainable path.
6. The Hearing thus enabled parliamentarians to reflect on securing the necessary financing to achieve the Sustainable Development Goals, ahead of the Fourth UN International Conference on Financing for Development, which will take place in Seville, Spain, from 30<sup>th</sup> June to 3<sup>rd</sup> July, 2025.
7. The 2025 IPU-UN Parliamentary Hearing served as a pivotal platform for global parliamentary leaders to collaborate on strategies to accelerate SDG implementation. By fostering dialogue on financing, institutional capacity, and political commitment, the hearing underscored the essential role of parliaments in achieving sustainable development objectives.
8. Approximately 180 parliamentarians from 60 parliaments attended the hearing, as well as speakers of parliaments, advisors, and experts from over sixty countries.

### **C. DELIBERATIONS DURING THE UN-IPU PARLIAMENTARY HEARING**

9. During the two-day session, representatives of IPU Member States, gathered at UN headquarters in New York. The Meeting comprised of the Main Program with seven sessions. The program is attached as Annex I.
9. The hearing included seven interactive discussions featuring panels of experts on topics such as international trade, debt, taxation, overseas development assistance (ODA) and private-

sector investments. It provided an opportunity for parliamentarians to share best practices, build cooperation, and provide input on ongoing negotiations and in view of the 4th International Conference on Financing for Development, to be held in Seville, Spain.

### **Opening Session**

10. Hon. Patricia Paddy Torsney, the Permanent Observer of the office of the United Nations, welcomed guests to the IPU hearings and moderated over the opening session which was presided over by IPU President Hon. Tulia Ackson and President of the United Nations General Assembly, H.E Mr. Philemon Yang.
  
11. In his opening remarks Mr. Yang expressed concerns that only 17% of the SDGs targets were on track considering the short time of five years that is left to fully realize the SDGs. He called for urgent action, closing of the financing gap and mobilizing political will as top priorities to rescue the 2030 agenda. He reminded parliamentarians that they held the legislative, budgetary and oversight powers necessary to turn global commitments into tangible action.
  
12. The President of the IPU, Hon. (Dr.) Tulia Ackson opened the dialogue by highlighting the critical role of parliaments in mobilizing political will, enacting legislation, and overseeing the implementation of the SDGs. Dr. Ackson noted that the SDGs, the world's most important global commitment against poverty, inequality, peace and environmental sustainability, are badly off track. And there remain only five years to their deadline of 2030.
  
13. Hon (Dr.) Ackson observed that the IPU and the UN system had joined forces to support the implementation of the SDGs since the very beginning, in 2015, and took cognizance of the achievements and the need to assist parliaments with the tools and knowledge to turn the global goals into actionable national plans. As a concrete example, she mentioned that the IPU had, earlier in the year, published a new toolkit for parliamentarians on the SDG Informed Legislative Scrutiny. She pointed out that at the political level, there were countless pronouncements over the past ten years at the IPU as well as the UN. The UN's General Assembly resolution 77/159 of December 2022, entitled "*Enhancing the role of*

*parliaments in accelerating the achievement of the SDGs*”, tops the list. The IPU president also noted that the hearing would take a close look at three key factors contributing to this disappointing performance and that call for dedication for this agenda, that is, political will and focus, institutional engagement and financing of the SDGs. In this respect, she urged confronting of political opposition or apathy towards the goals, set up of effective structures for monitoring implementation and commitment to financing of the goals. In closing she finally called for a robust discussion and focus on actionable recommendations to make life better for all.

14. Both the IPU president and UNGA president highlighted the urgency of addressing challenges such as inadequate awareness of the SDGs at the national level, uneven parliamentary engagement, aid effectiveness, tax reforms, debt crises, and international trade issues.
15. After the opening session, the day’s moderator Mr. Dan Dunsky led an interactive survey where participants answered questions via smart devices expressing their views on topics such as the need to strengthen multilateralism, address inequities in global debt and tax systems, and incorporate the SDGs in the parliamentary budgetary process. The live poll helped identify baseline views and informed subsequent debate and the results indicated broad support for multilateral solutions to global challenges, aligning with the day’s themes.

#### **The Deep Challenge of the SDGs: mobilizing Political will’.**

16. The topic discussed during the first session was the *‘Deep Challenge of the SDGs: mobilizing Political Will’*. This session focused on the political obstacles hindering the implementation of the SDGs. Participants discussed the necessity of aligning national legislation and budgets with SDG objectives. Zambian Speaker Nelly B. K. Mutti contributed to this session, emphasizing the importance of parliamentary functions, legislation, representation, and oversight, in advancing the SDGs. She also highlighted Zambia's commitment to integrating SDG targets into national policies and the significance of international cooperation in achieving sustainable development and observed that both developing and developed countries ought to balance their contribution towards achieving the SDGs.

17. UN Under Secretary-General, Guy Ryder, noted that while only 17% of the SDGs are on track, they've still catalyzed global focus. His view was that lack of resources in the world was not a true reason for not achieving the SDGs but observed that the resource issue is on the channeling and distribution of the resources. He further observed that Parliaments also face the challenge of convincing their citizens of the need for SDGs to justify the use and allocation of taxpayers' money in humanitarian causes such as the global goals.
18. Professor Jeffrey Sachs of Columbia University spoke of the global financing infrastructure and highlighted the issue of global inequality stating that although the resources exist, they're misallocated. His view was also that SDG4 is the most important as an educated citizenry will greatly improve economies. He pointed out that developing countries pay disproportionately high interest rates on debt and face barriers to green financing. As a solution he offered the need to reform finance distribution to low income countries to grow and the funding of international organizations such as the UN. He also posited that global taxes must fund global goods- these could include taxes on international aviation, shipping, carbon dioxide emissions and financial transaction among others.
19. The third proposal by Prof Sachs was the need to have global historical accountability to recognize countries' roles in climate change e.g. USA alone has caused 1/4<sup>th</sup> of the global carbon emissions while most developing countries are not truly responsible for most of the carbon emissions and climate deterioration currently being experienced. From the contributions, the key takeaway was that political commitment, both domestic and international, must be deepened and the global financial architecture should be reformed so that it was fit for purpose.

### **Parliamentary Oversight of the SDGs: The Unfinished Business of Institutionalization**

20. The second topic which was on '*Parliamentary Oversight – The Unfinished Business of Institutionalization*' posed the question why is the SDG accountability culture not taken root in many parliaments so that laws and budgets are tested against national plans and budgets?

Speaker Adama Bictogo of Côte d'Ivoire opened the floor for the panel of experts by stressing the need to empower SDG committees within parliaments. Uzbekistan's UN Permanent Representative, H.E Ulugbek Lapasov advocated for greater parliamentary involvement in voluntary national reviews. Marina Ponti of the UN SDG Action Campaign emphasized public engagement and oversight.

21. Panelists noted that the SDGs reflected people's aspirations, advanced people's rights and had the potential to rebuild trust in government. They provided a bold framework to address global challenges such as poverty, social justice and environmental degradation, while fostering peace and prosperity. But a lack of political will remained the biggest obstacle to achieving the SDGs, with other challenges including growing isolationism, retreat from multilateralism despite the global nature of most crises, and financial constraints. With only 17% of the SDGs on track globally and weak national ownership of the SDGs, urgent parliamentary action was needed to accelerate progress and reinforce commitments. Panelists recommended using existing frameworks, including the Pact for the Future, to advance the SDGs.
  
22. The session underscored that institutional reflexes for SDG monitoring must become routine in all Parliaments. Examples of parliamentary structures that review the SDGs and support public reporting mechanisms that track progress towards the Goals included the following:
  - (i) In Uzbekistan, parliamentarians are regularly included in delegations and the voluntary national reviews on the SDGs.
  - (ii) Côte d'Ivoire has achieved growth in recent years in part because it has included the SDGs in national development plans and strengthened relationships between the executive branch and parliament.
  - (iii) The House of Representatives of Indonesia has developed an SDG monitoring dashboard which can be used by parliamentarians and constituents to track progress.
  - (iv) In Qatar, parliamentarians regularly call on ministers to present sustainable development plans and citizens are allowed to make proposals

### **Development Cooperation and the SDGs: Making the Most of Aid.**

23. The third session was on *Development Cooperation – Making the Most of Aid*. Ambassador Lok Bahadur Thapa of Nepal highlighted the mismatch between aid promises and disbursement. Susan Brown of UNDP advocated for blending aid with private investment and enhancing donor-recipient trust while Researcher Nilima Gulrajani emphasized aid effectiveness and fragmentation. Speakers emphasized that parliaments need the tools to conduct effective oversight and maintain transparency in budgeting processes. Panelists noted that Overseas Development Assistance (ODA) was crucial for financing the SDGs and could be a lifeline for many developing countries. ODA helped leverage other types of financing, such as blended finance and private investments. It could attract more resources by improving the business environment, boosting tax collection and strengthening the management of public finances. Governments from donor countries must meet their ODA commitments to low-income countries, and parliamentarians should also work to help reduce dependence on foreign aid.

24. Some panelists encouraged calls for a national independent commission to create a new blueprint for aid based on equity, inclusivity and fairness. Countries like Benin and Malta raised concerns about access and coordination. The consensus from discussions was that global aid must be more predictable, equitable, and aligned with national needs.

### **Raising Domestic Resources for the SDGs: A Case for Tax Reforms.**

25. The fourth and final session of the first day was on *Raising Domestic Resources – A Case for Tax Reforms*. UN DESA's Navid Hanif emphasized domestic resource mobilization as a cornerstone for SDG financing. FACT Coalition's Ian Gary called for fairer tax systems and cracking down on evasion. Jamaica's tax official Marlene Nembhard Parker shared national successes in compliance and transparency. The speakers stressed that, in order to scale up progress towards the SDGs, national and international tax systems must be reformed to avoid policies that deepened global inequalities. Multinational corporations used profit shifting, offshoring, tax havens and other mechanisms to avoid paying taxes. These are measures that, according to the OECD, created as much as \$240 billion in annual revenue losses. Parliamentarians were encouraged to use their oversight authority to spotlight large-

scale corporate tax evasion. One example given was that, in 2023, the US Senate Committee on Finance had investigated pharmaceutical companies' tax practices and found that they had reported as much as 75% of their income in foreign subsidiaries.

26. Another cited example was the recent introduction of new country-by-country requirements, by the EU and Australia, with a view to improving oversight of corporations' profit-sharing strategies. Panelists said most tax systems were regressive, focused on labour instead of wealth, and lacked adequate enforcement capacities. Reforms were needed to make tax systems fairer and more equitable while increasing domestic revenues so that States could fund public goods. Parliamentarians were encouraged to use a whole-of-society approach. For example, Jamaica had involved the business sector and civil society in tax reforms in order to eliminate wasteful expenditures and increase domestic revenues. Parliamentarians were encouraged to use existing organizations, tools and instruments for guidance, including the OECD's Base Erosion and Profit Shifting Action 13, the UN Committee of Experts on International Cooperation in Tax Matters, and Tax Inspectors Without Borders. In concluding the day's talks, delegates agreed that tax reform must enhance trust, broaden the base, and ensure fairness, especially through international cooperation on tax policy.

### **Country Contributions**

27. Turkey: observed that urgent action to constitute political will is important so that countries can focus and priorities implementation of the global goals including financing and integration in the national goals and plans.

28. France: proposed that in order to restore momentum a new roadmap is needed particularly at national level

29. Benin: proposed a global mechanism to restructure debt and provide liquidity to heavily indebted nations, emphasizing solidarity.

30. The Gambia: emphasized the need for multilateral reform and advocated domestic resource mobilization through progressive taxation.
31. Rwanda: highlighted its use of innovative financing such as green bonds and results-based budgeting to fund national SDG strategies.
32. Ghana: called for climate finance to be delivered as grants rather than loans, especially for adaptation efforts in vulnerable regions.
33. Sweden: controversially suggested the SDGs be restructured to reflect current global priorities, prompting debate.
34. Morocco: responded by reaffirming its commitment to the SDGs, stating that abandoning the framework would undermine multilateral progress.
35. Nigeria: advocated for greater representation of African voices in global decision-making and alignment of national policies with international norms.
36. South Africa: highlighted the success of regional parliamentary forums in promoting shared development goals.
37. Cyprus: explained that small states must tailor their institutional frameworks to remain competitive without eroding tax bases.
38. Chile: stressed institutional independence and the importance of judicial checks on executive power.
39. The first day of the hearing culminated in a consensus on the following key points:
  - (a) There is a need for enhanced Parliamentary engagement by recognizing that parliaments ought to play a more active role in promoting and monitoring the implementation of the SDGs;

- (b) Identifying the importance of strengthening the capacities of parliamentarians to understand and legislate effectively on SDG-related issues is imperative;
- (c) Members acknowledge the necessity of innovative financing mechanisms to bridge the funding gap for SDG initiatives and integrate the SDGs in national budgets and laws and further it would be necessary to prepare proposals for the upcoming Financing for Development Conference;
- (d) The role of international partnerships and knowledge exchange in overcoming common challenges related to sustainable development cannot be overemphasized.

40. These outcomes are intended to inform the preparatory process for the Fourth UN International Conference on Financing for Development scheduled for June 2025 in Spain and GA President Yang committed to circulating the report within the UN General Assembly.

41. Panelists and parliamentarians offered recommendations on various aspects as follows-

- (i) to build political will and institutionalize the SDGs through measures such as the following:
  - (a) Prioritizing goals that resonate with the people in each country and identifying tangible targets that could be achieved during one election term
  - (b) Working to achieve a fair distribution of resources
  - (c) Prioritizing people-centric policies, such as those focusing on education, healthcare and basic infrastructure
  - (d) Working to create peace, security and political stability as key determinants of sustainable development
  - (e) Establishing parliamentary structures to review and advance the SDGs and support public reporting mechanisms that track progress towards the Goals
  - (f) Engaging with fellow parliamentarians, government officials, the media and constituents to raise awareness about the SDGs and highlight their importance
  - (g) Strengthening the budget process with greater transparency and stronger oversight of government expenditures

- (ii) making aid more effective through measures including the following:
  - (a) Prioritizing national ownership of aid and building strong relationships with local partners
  - (b) Ensuring aid is transparent and results-driven
  - (c) Building awareness among constituents, the private sector, civil society and the media about the importance of aid
  - (d) Employing tools such as incentives and subsidies to promote projects that are long-term and prioritize sustainable development, climate resilience, and core public goods and services
  - (e) Prioritizing multilateral aid channels that are typically less politicized and more cost effective than bilateral ones
  
- (iii) to increase tax revenues and make tax systems fairer and more equitable through measures such as the following:
  - (a) Ensuring tax laws and policies are inclusive, transparent and open
  - (b) Imposing greater disclosure of the true owners of entities, including trusts, limited liability partnerships and beneficial ownerships
  - (c) Enacting laws and policies that prioritize tax collection from high-net-worth individuals
  - (d) Regularly reviewing national tax laws and investing in capacity-building for local tax administrations
  - (e) Seeking effective taxation and auditing of companies that engage in extractive industries
  - (f) Advocating for clarity and transparency in tax laws and guidance, deterring companies from tax avoidance and evasion, and improving compliance
  - (g) Using parliamentary oversight to spotlight large-scale corporate tax evasion
  - (h) Sharing information with other countries and cooperating on cross-border tax issues, including enforcement
  - (i) Pushing for the application of a global minimum tax of 15% for multinational corporations, an OECD proposal that more than 140 countries have committed to

- (j) Demanding greater insight into multinational corporations' profit-shifting strategies in order to properly investigate them and hold them accountable
- (k) Building political will, nationally and internationally, to make tax systems more sustainable, inclusive and focused on public goods

42. During day two of the hearings, the following topics were discussed-

### **The Debt Crisis and the SDGs: proposals for sustainable solutions**

43. Ms. Shari Spiegel, Director, Financing for Sustainable Development Office, UN-DESA, mentioned that there are two main challenges with regards to debt. Firstly, the high cost of borrowing thus most of countries spent up to 70% of their national tax revenues servicing the debt hence countries can't invest in their future growth. Yet the best way to get out of debt is to invest and to invest one needs to borrow thus most countries are caught in between a rock and a hard place.

44. Secondly, what happens when countries have to default? There is no framework for when countries default. For instance, there are many creditors, many types of creditors that do not have an umbrella body under which to operate, such as public official creditors, commercial creditors there is no framework that ranks creditors, many types of creditors such public official creditors, newer bigger creditors that are not part of the Paris Club<sup>1</sup>, banks, investors amongst others whom don't have a platform to discuss issues and discuss debt restructuring, etc. when a debt restructuring that is done its either too late or they do not give countries an opportunity for a clean slate. More importantly, there is little incentive for creditors to come together under a framework that guides and coordinates matter debt, since it's an issue of who gets paid and who gets paid fast and first.

45. Mr. Jason Braganza, Executive Director, African Forum and Network on Debt and Development noted that there is an asymmetry in the debt architecture that favors the creditors over borrowers thus debt restructuring becomes a challenge. For instance, in countries like Zambia, Ghana, Ethiopia the common debt restructuring framework clearly

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<sup>1</sup> <https://clubdeparis.org>

depicts a power imbalance whereby the prevailing circumstances have forced these countries to trade off their development agenda in order to service the debt.

46. There is lack of political will to settle debt and to ensure that the debt crisis does not deepen at the detriment of achieving Agenda 2030 on SDGs and 2063 African Union. There is need to rethink the role of debt in development. Further there is need to understand why there is a fiscal and trade deficit.
47. Debt financing is not people centric and it is not about development as demonstrated by re-prioritization of key national agendas such as human resource, health, education, amongst others, in favor of servicing debt.
48. The economic transformation capacity that is supposed to be brought about by borrowing has the inverse effect where countries are becoming poorer. There is need to explore the role of multi-national institutions in facilitating debt of various countries due to the inability to facilitate economic institutions.
49. There is no need to adopt private sector solutions and adopt strategies that are public sector based.
50. Some of the ways to deal with the debt crisis is through democratizing debt restructuring by addressing the imbalances and which countries can facilitate this, and have a regional collective position to advocate for the debt restructuring frameworks.
51. Ms. Jill Dauchy, Founder and Chief Executive of Potomac Group LLC, stated that the debt crisis is global issues and in order to address the issues is to develop creative and innovative solutions on how countries use the scarce available resources. She also emphasized that Parliaments are central in ensuring that these strategies are established.

52. The United Nations estimates that the investment required to get back on track on implementing the SDGs in the next 5 years is astronomical amounting to USD. 5 to 7 Trillion per year.
53. 35 out of 68 low income countries in Africa are in debt distress or at risk thereof, 50% of 56 middle income that have access to markets are at high risk but sustainable and 9% are on an unsustainable debt trajectory. Advanced economies are also experiencing an unprecedented level of debt. For instances the United States of America has an outstanding debt stock of USD. 35 Trillion which is equivalent to 123% of its GDP. Hence no one country has the room to maneuver or respond accordingly to the crisis. Consequently, across the globe are experience disruptions of programmes more so in view of the change in USA policies such as shutting down of the United States of America International Development (USAID) programme, withdrawal from the Paris Climate Agreement, World Health Organization (WHO), change on support to multilateral institutions, amongst others.
54. Some of the financial innovations in the market are such as: the USD. 750 million deal between the Dominican Republic and the World Bank for climate projects; USD. 2.5 billion in green bonds by Qatar; the African Development Bank's USD. 2 billion bond for projects promoting sustainability; and the agreement by Portugal to swap the debt of Cabo Verde for environmental investments.

### **Role of Parliament**

55. Prevention: better debt management within the country, having better principles for responsible sovereign borrowing and responsible sovereign lending and responsibilities of creditors and debtors to ensure that debt is sustainable, debt instruments that can be utilized in case of debt restructuring for instance inserting climate resilience debt clauses in contracts in the event of a crisis or external shock such as devaluation of the currency, climate crisis etc., hence causing the debt to skyrocket thus becomes unsustainable that put measures to respond under such circumstances. Further there is need for parliaments to scale up their oversight role.

56. Role of the international community when a country is unable to repay or when debt becomes unsustainable. The international community may use the instruments at its disposal for example use of debt swaps which is a debt restructuring strategy whereby an agreement is done to redirect money from debt payment to a development objective such as protecting forests, improving schools or health care systems, to bring the cost of borrowing comes down.
57. What happens when a country defaults? Various discussions are underway to determine how to address this issue. One of the key strategies is to establish a debt court. The net effect of this is that this court would supersede country courts hence some countries such as the United States of America and the United Kingdom are opposed to this due to the fact that they wish to have sovereignty over matters pertaining to their country.
58. Must review the contracts and legal frameworks that their respective countries sign to ensure that they are based on public interests.
59. Scale up interventions to promote debt transparency and ensure that it's in alignment with national priorities.
60. Parliaments must be aware and oversight the financial obligations that their respective countries enter into to protect future generations from excessive tax burden due to debt.
61. Strengthen domestic debt legislation in terms of contracting, utilization, servicing and management, include dispute resolution and debt restructuring.
62. Parliaments should advocate that the executive publishes all debt and engage the public on matters debt.
63. Establish debt management offices that are independent to provide analysis on debt and debt management at the national level.

## Country Contributions

64. Morocco: the impact on debt crisis is on developing nations who end of losing their financial independence. Consequently, the effect is on key sectors such as health, education amongst others. Hence Morocco has put in place interventions to generate domestic revenue to finance the implementation of SDGs within the country.
65. Nigeria: introduction laws to achieve sustainable development. The National Assembly ensured that key areas such as health, infrastructure were prioritized in the allocation of national budgets.
66. Algeria: to address the debt crisis there is need for collaboration by various stakeholders. The Algerian Agency for International Cooperation that provides financial and technical capacity to support the implementation of SDGs across states in various sectors such as energy, agriculture and infrastructure.
67. Pakistan: there is need for reforms on a international debt structure, debt sustainability analysis that prioritizes development, suspend IMF surcharges, establishing a debt work out strategy amongst others.
68. Spain: SDGs is not only a global commitment but a shared responsibility that requires action from shared democracies. Parliamentarians are central in promoting realization thereof. There is need to promote public participation to ensure that the most vulnerable communities are heard.
69. Turkey: international trade drives development, however developing countries struggle due to geographic location and limited financial capacity. COVID-19 exposed the fragility of countries to engage in trade.
70. Greece: establish a team that will track global sentiments on debt. Further there is need to have an interparliamentary discussions to share experiences on fiscal performance and debt.

71. Finland: a balanced approach and a strong international but fair and widely accepted agreements are needed otherwise it may lead to geopolitical instability.
72. Indonesia: what strategies can be used by countries to manage debt more sustainably? What are the mechanisms for debt restructuring without sacrificing public spending?
73. Libya: called upon IMF and the World Bank to review and create a fairer lending criterion for developing countries, and for restructuring plans that consider States' ability to pay.
74. United Kingdom: by working together countries can mitigate against financial shocks and establish sustainable and innovative financial solutions.
75. Azerbaijan: is one of the countries with low levels of debt. Currently debt comprises 6.9 % of its GDP. Further Azerbaijan has established a framework on debt management which has facilitated in enabling sustainable debt and decreasing it.
76. Canada: lack of trust in government is exacerbated by increased tax burden on citizenry as a result of unsustainable borrowing by governments which leads to inflation. The solution to the debt crisis can be addressed through countries spending within their limits, transparency in resource management. Further there is need to promote transparency and reporting of development funds.
77. Benin: to combat debt crisis there is need to adopt laws on finance and debt management., suspend debt where there is crisis, harness financial innovations including speculative funds, climate linked funds, Islamic finance, and scale up international cooperation by supporting regional development banks and pan African institutions.

**International trade for the SDGs: the challenge of poverty eradication through export led growth**

78. Mr. Thomas Schnoll, Permanent Observer of the OECD to the United Nations noted that the contribution of parliaments is critical in international trade and this can be done through

dialogue and transparency. In this regard, data is critical in decision making to guide in making informed decisions. Global trade has increased from 43% to 59% of GDP between 1995 and 2023, lifting many developing countries out of poverty, but benefits are uneven.

79. He noted that global value chains offer opportunities for developing countries, but require investment in human capital, technology, and infrastructure. Further that regional integration is reshaping global trade; a \$6.4 trillion gap in development outlook by 2030 if major reforms are not implemented.
80. Its critical to invest in human capital, infrastructure, need for stronger partnerships between local and international firms to boost competitiveness, and adopt to trends that are shaping global trends.
81. Progress towards achieving SDGs is lagging behind and it must be boosted by international cooperation, capacity strengthening and investments.
82. He noted that reliable data and communication are essential for informed policymaking. Further that Artificial Intelligence offers opportunities and risks thus it requires strategic foresight and data protection.
83. Mr. Juan Badillo, Chief, UNCTAD New York Office noted that in addition to finance there is need to export led growth. Technology, finance and trade to be integrated for international trade to grow. Parliaments must lead this process.
84. Mr. Badillo noted that trade generates finance critical for SDG implementation; developing countries face a growing finance gap (from \$2.5 trillion/year in 2015 to \$4.5 trillion/year now).
85. There is need for fiscal space and investment in capacity for transformation and to harness trade for development. He called for a rules-based, non-discriminatory, open, fair, inclusive, and transparent multilateral trading system centered on the WTO. This notwithstanding he

noted that stagnation in WTO negotiations and dispute settlement mechanisms is a concern; intellectual property governance and investment agreements.

86. He called for resilience in countries and development of context-specific policies and participation in global data frameworks.

87. Ms. Melinda St. Louis, Director, Public Citizen's Global Trade Watch mentioned that the policy making process of free trade agreements is dominated by interests of large multinational corporations in the global north; parliaments and civil society organizations were excluded leading to a democracy deficit. For example, the US Congress delegated trade authority to the executive, resulting in opaque processes and corporate-driven rules (e.g., IP rules favoring pharma, ISDS mechanisms, limits on government regulation).

88. Backlash against corporate-dominated trade has fueled economic nationalism and right-wing populism. Parliaments can restore balance by demanding transparency, accountability, and prioritizing public interest in trade agreements.

89. Panelists noted that a small number of developed nations dominated entire sectors of the global economy, while trade agreements often lacked the necessary transparency, without input from parliaments, the public and civil society. While international trade could drive sustainable growth and poverty reduction, it required multilateral rules, strong domestic policies and capacity-building. Many developing States were trapped in low-value commodity exports that limited their productivity and growth. The global trading system must become more transparent and inclusive, and must prioritize people's human rights, sustainability and the environment

### **Role for Parliaments**

90. Parliaments have a critical role in advancing sustainable trade governance. They were urged to audit their governments' investment agreements in order to evaluate their alignment with sustainable development goals and to improve transparency and accountability.

91. Parliaments must promote greater transparency and inclusivity in trade policy-making, ensuring that civil society, small and medium-sized enterprises (SMEs), and other marginalized stakeholders are meaningfully included in the process.
92. Parliaments must take part in the global framework on data for development, currently being developed under the Commission on Science and Technology for Development, to help shape informed, evidence-based trade and development strategies.

### **Country Contributions**

93. Representatives from various countries shared their national experiences and perspectives on aligning trade with the Sustainable Development Goals (SDGs), highlighting both progress and pressing challenges.
94. Indonesia: expressed concern over growing protectionism and the selective application of trade rules. They posed questions about how national parliaments could be more meaningfully involved in WTO processes and multilateral trade governance.
95. France: reported its commitment to promoting SDG-linked trade and strengthening value chains. It encouraged parliamentary vigilance to ensure governments remained accountable for upholding their SDG obligations.
96. Morocco: reported that the country had achieved notable economic growth following the pandemic through increased investment and emphasized that trade was being used as a strategic instrument for poverty eradication and SDG implementation. They also stressed the importance of international solidarity and infrastructure projects, such as gas pipelines and Sahel-Atlantic connectivity, to empower developing regions.
97. Nigeria: noted that their country continued to face issues related to oil dependency and marginalization in trade, as well as gaps in the implementation of regional trade agreements. They said their legislative agenda was now focusing on export diversification and providing incentives for the digital economy.

98. Kenya: reported efforts to diversify exports, promote technology transfer, and build human capacity. They noted that these initiatives were part of a broader strategy to leverage regional and global value chains for advancing sustainable development.
99. Libya: remarked that current trade systems disproportionately benefited advanced economies. They called for reforms within the WTO, increased regional cooperation, and stronger parliamentary engagement in trade policymaking.
100. Pakistan: advocated for comprehensive WTO reform and revisions to existing investment agreements. They emphasized the need for export diversification and stronger regional integration to harness trade for development.
101. Myanmar: described how the military had exploited trade for its own benefit, using it as a weapon of oppression. They urged the international community to impose sanctions on illicit exports, redirect aid appropriately, and apply due diligence in resource-based trade, particularly in minerals.
102. Qatar: highlighted the centrality of building productive capacity, infrastructure, and diversified exports to achieving the SDGs. They advocated for tailored export-based strategies that consider national development contexts.
103. Sweden: pointed to the need for greater flexibility in intellectual property rules, arguing that such reforms would better support small-scale industries in developing countries and promote inclusive innovation.
104. Mexico: reflected on the country's experience with North American Free Trade Agreement (NAFTA),<sup>2</sup> noting that it had led to substantial export growth and poverty

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<sup>2</sup> <https://www.ustr.gov/sites/default/files/NAFTA-The-Road-Ahead.pdf>

reduction. They recommended equitable access to markets, near-shoring strategies, and stronger support for small and medium-sized enterprises (SMEs).

105.Canada: raised concerns about the emerging challenges in trade negotiations, particularly regarding artificial intelligence (AI), data ownership, and cross-border data flows. They also emphasized the growing threat posed by disinformation and the erosion of public trust in sustainable development narratives, calling for renewed efforts to reclaim the narrative and ensure policy coherence.

106.Algeria: questioned the responsibility of advanced economies in addressing persistent global trade imbalances. They expressed support for African trade integration and bilateral agreements but acknowledged the significant obstacles posed by conflict and protectionist policies.

107.Madagascar: highlighted their reliance on vanilla exports as a key economic driver but warned of challenges related to price volatility and limited market access. They called for the implementation of fair-trade policies and increased investment in infrastructure to enhance export resilience.

108.Azerbaijan: emphasized the importance of infrastructure development and legislative reform to support effective trade operations and contribute to the achievement of the SDGs.

109.Chile: discussed the dual implications of artificial intelligence in trade. While they acknowledged its potential to boost GDP, they cautioned against associated risks to employment and stressed the need for appropriate regulation of data and AI systems.

### **Private investments for the SDGs: the role of the private long-term investments and of international finance**

110.The Panelists addressed the evolving role of private long-term investments and of international finance in achieving sustainable development goals, offering a range of

perspectives on how best to align private investment with public interest. They noted that private investment is essential to close the SDG financing gap that is estimated at \$2.5–\$4 trillion over five years. Further the panelists noted the recent decline in private capital mobilization, FDI, and PPPs noted, especially post-COVID.

111.Hon. Hugo Carneiro, Member of Parliament from the Parliament of Portugal, emphasized the necessity for fair, transparent, and accountable PPPs, asserting that both the risks and benefits of such arrangements must be equitably distributed. He called for the establishment of internal technical oversight bodies and judicial mechanisms for dispute resolution. Drawing on Portugal's past experiences, he also underscored the importance of building public trust through robust monitoring frameworks, international tax reform, debt conversion mechanisms, and the provision of security and stability.

112.Ms. Noreen Kennedy, Senior Vice President for Global Strategy and United Nations, United States Council for Internal Business, advocated for systemic reform with a focus on mobilizing private finance for development. She highlighted the importance of fostering enabling environments, upholding the rule of law, and delivering people-centered infrastructure.

113.She urged parliamentarians to collaborate more proactively with the private sector, not solely through regulatory measures but as strategic partners in sustainable development. She also emphasized the need to learn from both successful and failed PPPs, promote engagement with SMEs, leverage the role of UN Resident Coordinators, and adhere to international best practices and standards.

114.Ms. Rouguiatou Ruggiatu Diallo, Economic Research, International Trade Union Confederation called for the creation of a new social contract centered on decent work, labor rights, social protection, and inclusion. She argued that the public sector should maintain leadership in delivering essential public services, and emphasized the need for strong regulatory frameworks to ensure private sector accountability.

I15.Ms. Diallo underscored the importance of reforming global financial architecture, creating worker-enabling environments, advocating for stronger public sector leadership in delivering essential services, and promoting social dialogue as foundational elements of a rights-based development approach.

I16.She noted that there was need to prepare and circulate SDG shadow reports from trade union federations to inform parliamentary action.

I17.The panelists emphasized the importance of achieving SDG 8 on decent work and economic growth and the need to mobilize diverse resources. However, the issues of whether private sector or public sector were to lead the systemic reforms remained as the role of private capital and business engagement cannot be underscored whereas labor rights public sector leadership and accountability frameworks are crucial in making reforms.

### **Role of Parliaments**

I18.Review and utilize ILO conventions, UN Guiding Principles on Business and Human Rights, and OECD Guidelines for Multinational Enterprises as frameworks for national legislation and parliamentary oversight.

I19.Parliamentarians to demand briefings from their governments on the draft outcome document for the upcoming UN Conference on Financing for Development and ensure references to parliaments are retained

### **Country Contributions**

I20.Indonesia: inquired about strategies to balance private sector incentives with domestic resource mobilization and responsible investment practices.

I21.Morocco: highlighted its use of national guarantees to attract private investment, emphasizing the importance of a stable legal and economic environment, and called for investors to respect national laws and contribute to the development of human capital.

- 122.Switzerland: advocated for the development of updated and centralized data systems on PPPs to support effective parliamentary and legislative oversight.
- 123.Qatar: proposed the use of tax exemptions, accessible loans, and bureaucratic simplification to promote PPPs, while raising concerns about the viability of investment in politically unstable environments.
- 124.Algeria: emphasized the crucial role of SMEs in national development and the need for infrastructure investment, while calling attention to the historical responsibility of former colonial powers in supporting African development.
- 125.Belgium: noted that while PPPs are often effective for large-scale infrastructure projects, they remain less accessible for SMEs, particularly in developing countries.
- 126.Pakistan: emphasized the need for capacity building to generate bankable projects, and raised the question of how parliamentary institutions could better oversee the private sector's role in development.
- 127.Malta: shared its experience of using grants and tax credits to incentivize sustainable SME investment, while maintaining parliamentary oversight of such initiatives.
- 128.Libya: called on parliaments to move beyond mere legislation and to assume active roles in shaping economic policy and international economic diplomacy.
- 129.Denmark: questioned how effectively ILO conventions and commitments under SDG 8 were being enforced in PPP contexts.
- 130.Canada: issued a cautionary note on the risks inherent in PPPs, underscoring the importance of strong social programs, vigilance against tax evasion, and combating disinformation in public discourse.

131. Madagascar: sought practical guidance on mechanisms to enable effective parliamentary oversight of PPPs, stressing the need for approaches that could be adapted to local realities.

132. Sweden: shared its mixed experiences with PPPs, underlining the need for mutually beneficial (win-win) projects and the use of guarantee instruments to mitigate investment risk in developing countries.

133. Myanmar: asserted that progress on the SDGs was impossible under military rule, citing the misuse of private investment to support the regime's survival, and called for international scrutiny of such practices.

#### **Closing Ceremony, Hon. (Dr.) Tulia Ackson, President, Inter-Parliamentary Union**

134. Hon. (Dr.) Tulia Ackson praised parliamentarians' engagement at the hearing and expressed gratitude for the participation of the President of the UN General Assembly and several high-level UN officials. She reiterated that most conflicts and crises facing the world were human-made and solvable, and that the SDGs were attainable. If the international community raised \$7 trillion in response to the COVID-19 pandemic, a similar effort could be directed towards sustainable development.

135. She noted that the hearing had underscored the interconnected nature of SDG finance, including aid, taxes, debt, trade and private investments. She called on parliamentarians to promote greater transparency, inclusion and oversight of global financial systems and to ensure that policies and budgets were people-centered and development-driven. People cared about healthcare, education and the environment and it was up to parliaments to prioritize, fund and implement relevant policies.

136. Further that there was need for parliamentarians to play a central role in promoting transparency in trade agreements as well as interrogating the conditions attached to loans, aid and investment agreements. There is need for greater scrutiny of these agreements to ensure that they are people centered and development driven.

137. She noted that one of the key concerns raised severally over the two days hearing was lack of trust of governments by the public. One of the critical strategies which she recommended could help to restore trust in governments was introducing fairness in taxation. This would go a long way in restoring trust in government.

138. Hon. (Dr.) Ackson encouraged parliamentarians to embrace innovation and creativity, work closely with the UN, and leverage multilateralism to restore fairness, build trust and tackle global challenges.

## **D. RECOMMENDATIONS**

139. A summary of the key recommendations from the hearing are as follows-

### **1. Strengthen Parliamentary Oversight and Institutionalization**

- Establish dedicated SDG committees within parliaments.
- Integrate SDGs into national legislation, budget processes, and oversight functions.
- Use parliamentary powers to demand transparency and monitor implementation of SDG-related programs.
- Engage the public in SDG progress through reporting mechanisms and voluntary national reviews (VNRs).

### **2. Mobilize Political Will**

- Prioritize people-centered policies (education, health, basic infrastructure).
- Align SDG implementation with national election cycles to enhance ownership and accountability.
- Tackle political apathy by building consensus and confronting opposition to SDG agendas.
- Reinforce trust in governance through transparency and inclusive decision-making.

### **3. Innovate and Expand Financing Mechanisms**

- Develop innovative financing tools like:
  - Green bonds
  - Climate-linked financing
  - SDG-aligned national guarantees
- Use debt swaps and debt-for-development mechanisms (e.g., environment, health, education).
- Advocate for fair global taxation, including:
  - A global 15% minimum corporate tax
  - Carbon, aviation, and financial transaction taxes

#### 4. Reform Domestic Tax Systems

- Put mechanisms in place to curb tax evasion and profit shifting by multinationals.
- Prioritize taxation of high-net-worth individuals and wealth, not just labor.
- Implement beneficial ownership transparency.
- Strengthen national tax administration capacity and public trust in tax systems.

#### 5. Address the Debt Crisis Proactively

- Parliamentarians and the UN to advocate for a global framework for sovereign debt restructuring.
- Establish independent debt management offices in each country.
- Ensure parliamentary oversight of all debt agreements and borrowing decisions.
- Integrate climate and crisis clauses into debt contracts to improve resilience.

#### 6. Improve Aid Effectiveness

- Demand transparency and results-based approaches in ODA disbursement.
- Encourage national ownership of aid programs, aligned with country needs.
- Promote public awareness on the importance of aid for sustainable development.
- Strengthen partnerships and co-creation between parliaments, civil society, and local governments.

## 7. Promote Fair and Inclusive Trade

- Review and audit existing trade agreements for SDG alignment.
- Engage civil society, SMEs, and vulnerable groups in trade policy-making.
- Advocate for greater transparency and parliamentary inclusion in WTO and FTA negotiations.
- Support infrastructure development and human capital investment to improve export capacity.

## 8. Align Private Investment with Public Interest

- Strengthen parliamentary oversight and accountability in Public-Private Partnerships (PPPs).
- Enact legislation and international standards (e.g., ILO, OECD) to regulate business conduct.
- Promote decent work, labor rights, and social protections in investment strategies.
- Prioritize investments that build long-term development capacity, not short-term returns.

## 9. Enhance Global Solidarity and Multilateralism

- Advocate for a fairer global financial and trading system.
- Support African regional integration, South-South cooperation, and UN multilateral efforts.
- Advocate for greater representation of developing countries in global decision-making institutions.

## **E. CONCLUSION**

That the Parliament of Kenya takes note of the contents of this report.