



EXPERT WORKING GROUP
ON GLOBAL PUBLIC INVESTMENT

Building a better system: Making Global Public Investment a reality



Recommendations of
the Expert Working Group on
Global Public Investment

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Equal



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Foreword

Experts and practitioners from around the world have been developing the concept now known as Global Public Investment (GPI) for some time, building on a long tradition of critiquing current global governance and aid-based approaches to financing our common global objectives. In September 2019, the first consolidated GPI proposal was presented in New York. In October 2020, as the COVID-19 pandemic was forcing a deep rethink about how we cooperate to build a better world, Equal International convened the [Expert Working Group on Global Public Investment \(EWG-GPI\)](#) – a multi-disciplinary group of eminent development policy practitioners, government advisers and scholars who came together to further conceptualise and develop ideas around GPI.

We published a [Report on Progress](#) in July 2021 and began a six-month Global Consultation with participation from hundreds of individuals and organisations from all sectors and regions across the world, including think tanks, international non-government organisations (INGOs), policy-makers, civil society organisations, community activists, governments, philanthropic foundations, academia, development banks, the private sector and multilaterals, including United Nations (UN) agencies. We aimed to ensure participation was as representative as possible, reaching grassroots organisations and grounding our deliberations in diverse people’s reality. There are many important panels reconsidering the international finance space, but this is the only consultation of its kind to date.

These Recommendations present what we heard in the Consultation as well as our own deliberations. We hope they inspire readers to be bold in their calls for the reforms in global public financing necessary to build the world we all want to live in.

1. Executive summary

Overlapping crises are making the lives of billions of people on the planet more precarious. From climate to health, from hunger to conflict, the world faces challenges on a scale previously unknown. While we are seeing some worthy attempts to respond, overall, the amount of public finance required is far beyond what is currently available. And it is not just about quantity; who makes decisions about spending is equally important.

We believe the Global Public Investment (GPI) principles – **all contribute, all benefit, all decide** – are the right ones for the 21st century for six main reasons:



More money

GPI has the potential to bring additional (grant) finance to the table



Better money

Spending is most effective when all stakeholders are fully involved in managing it



Public money

GPI would help deliver public goods and services through a public interest mechanism



A response to global ambitions

A more effective and equitable way to prioritise international objectives



A response to multilateral bottlenecks

GPI has the potential to revitalise multilateralism



A compelling modern narrative

A simple and intuitive concept; an empowering narrative.

Cocreation is at the heart of the GPI approach and must remain central as we continue to build the concept. It is crucial to ensure the active involvement of civil society, to link with other global campaigns, and to encourage the development of regional structures that complement global progress.

Global Public Investment is an idea whose time has come. The evolutions proposed by the GPI approach are now endorsed by many across the political spectrum and across the world. This was clearly demonstrated during our Expert Working Group on GPI (EWG-GPI) Global Consultation, which involved diverse representatives from think tanks, INGOs, policy-makers, civil society organisations, community activists, governments, philanthropic foundations, academia, development banks, the private sector and multilaterals, including UN agencies. The challenge now is to incrementally

introduce GPI in global policy-making. This will require continued technical development of the concept and – even more importantly – continued building of political momentum. In short, we must now begin a new phase of building and promoting GPI.

As the work of the EWG comes to an end, we encourage people and organisations everywhere to join the movement for GPI. Whether helping to build political momentum, honing the technical proposal, advocating for adoption, or actually implementing the GPI principles in funds or other ways, the following Recommendations are for the organisations and people that need to work together in the coming months and years to make GPI a reality.



1. Adopt GPI principles into all new and existing global funds and initiatives



2. Establish GPI budget lines in government spending plans



3. Establish GPI principles at the core of global health financing



4. Incorporate GPI into efforts to reinvigorate climate finance



5. Evolve Regional Public Investment mechanisms to complement GPI



6. Link to other global, regional and national campaigns, especially on inequality



7. Build an inclusive GPI Network to enable cocreation



8. Engage in major UN (and other) processes on the road to 2030



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2. The need for Global Public Investment

2.1 Interlocking crises

As these Recommendations go to press, the global situation is more worrying than ever. Overlapping crises are making the lives of billions of people on the planet more precarious. The tragedy of hunger is affecting tens of millions of children, with life-saving food and care arriving too little, too late, and no sign of resolution to this chronic problem.¹ In 2021, ‘20 million more people have been pushed to extreme levels of food insecurity, reaching a total of 155 million people in 55 countries’.² If anything, the long term prospects for many parts of the world are deteriorating, as the climate crisis continues to worsen: in 2021, half of all people in need of humanitarian assistance (about 150 million people) lived in countries with ‘high levels of vulnerability to the impacts of climate change’.³

What is becoming known as the ‘inequality pandemic’ has been exposed more clearly by the health pandemic, with entrenched structural injustices plainer than ever, nationally and internationally. Despite consistent recognition of inequality over the past decade, there is no sign it is reducing and every reason to believe that it will continue to worsen without transformative action: the total external debt of developing countries increased from US\$6.5 trillion in 2011 to US\$11.1 trillion by 2021,⁴ even as the challenge of reaching the Sustainable Development Goals (SDGs) became ever more acute – increasing in cost by around US\$1.7 trillion (about 70%) in 2020.⁵

Meanwhile, tensions between the great powers continue, as well as lack of unity between countries in the Global South and Global North, leading to doubts about the future of multilateralism. The tragedy taking place in Ukraine has not only worsened some global crises (causing energy price spikes, food shortages and supply disruptions), but also diverted attention away from other pressing global challenges, with the potential to impact lives and livelihoods around the globe even more dramatically.

2.2 Financing failures

While international finance is only one of many policy actions required, it is depressing to see how underwhelming the financial response remains. Estimates as to how much finance is required to respond to current crises and help prevent future ones vary depending on methodology and focus, but they all agree on the enormous scale of finance needed if the world is to have a chance of reversing its dangerous direction.

Take climate – to date, the world’s richest countries have failed to deliver on their promise of US\$100 billion in climate finance. The UN Environment Programme estimates that adaptation costs alone (i.e.

1 UN. 23 June 2022. *Global hunger crisis pushing one child per minute into severe malnutrition*. [Online]. <https://news.un.org/en/story/2022/06/1121172>

2 Oxfam. 2021. *The hunger virus multiplies: Deadly recipe of conflict, COVID-19 and climate accelerate world hunger*. London: Oxfam. https://oi-files-d8-prod.s3.eu-west-2.amazonaws.com/s3fs-public/2021-07/The%20Hunger%20Virus%202020_media%20brief_EN.pdf

3 Development Initiatives. 2022. *Global Humanitarian Assistance Report 2022: People and Crisis*. Bristol: Development Initiatives. <https://devinit.org/resources/global-humanitarian-assistance-report-2022/people-and-crisis/>

4 UN. 2022. *Impact of the Covid-19 pandemic on Trade and Development*. New York: UN. https://unctad.org/system/files/official-document/osg2022d1_en.pdf

5 Organization for Economic Cooperation and Development (OECD) (2021). *Global Outlook on Financing for Sustainable Development 2021 : A New Way to Invest for People and Planet* <https://www.oecd-ilibrary.org/icomnsites/6ea613f4-en/index.html?itemId=/content/component/6ea613f4-en>

not including mitigation or the new item – loss and damage) faced by developing countries could be up to US\$300 billion per year by 2030.⁶ Or take health – even before COVID-19, the additional annual spending required to prevent millions of unnecessary deaths and ensure ‘essential Universal Health Coverage (UHC)’ in low- and lower-middle-income countries (LMICs) was about US\$370 billion, calculated at about US\$58 per person.⁷ Putting these numbers together is complex as there is so much overlap, but one influential group of analysts suggests that a minimum of an additional US\$1.3 trillion per year is required if we are to have any hope of meeting the SDG targets set only seven years ago.⁸

Amidst a failure to spend on international priorities, wealthy countries have found hundreds of billions to invest at home, while, in 2020, African countries spent only US\$28 per capita on fiscal stimulus measures, compared with US\$629 in Europe and US\$4,253 in North America.⁹ This discrepancy in spending power is leading to two speeds for post-COVID-19 recovery, with poorer countries less able to stimulate growth, further exacerbating inequality.¹⁰

This is the context in which we are seeing growing momentum behind GPI. Since the outbreak of the COVID-19 pandemic, interest in GPI has grown significantly, with the approach and its principles now recognised as a possible solution to the international public financing challenge.

2.3 Why we back Global Public Investment

A transformation in how we finance global objectives is urgently needed. We need more international public money – *much* more than we currently have – but it is not just about quantity. This money must be raised, managed and spent in a new way for a new era. Until decision-making power is more representative, decisions will continue to be made that favour a small number of countries over broader global interests. The recent Special Drawing Rights allocation is a perfect example whereby funds should have been shared fairly, quickly and unconditionally with poorer countries, but wasn’t.¹¹ That is why we call for a new system, built gradually over time, in which *all contribute, all benefit, and all decide* (see Box 1).

The debate on GPI has often been confined to a debate on aid – but this falls far short of our modern requirements. While a growing number of voices are rightly calling for the decolonisation and localisation of aid, we argue that this is not just about transforming the aid debate: GPI proposes a new paradigm of fiscal policy for the 21st century.

6 UN Environment Programme. 2022.

7 UN Dispatch. 2017. *Here’s how much it will cost to give everyone healthcare, everywhere in the world.* [Online] <https://www.undispatch.com/heres-much-will-cost-give-everyone-healthcare-everywhere-world/#:~:text=In%20all%2C%20the%20WHO%20estimates,billion%20per%20year%20by%202030.>

8 Bhattacharya A., Dooley M., Kharas H., Taylor C. & Stern N. 2022. *Financing a big investment push in emerging markets and developing economies for sustainable, resilient and inclusive recovery and growth.* London: Grantham Research Institute on Climate Change and the Environment, London School of Economics and Political Science; Washington, DC: Brookings Institution. <https://www.lse.ac.uk/granthaminstitute/wp-content/uploads/2022/05/Financing-the-big-investment-push-in-emerging-markets-and-developing-economies-for-sustainable-resilient-and-inclusive-recovery-and-growth-1.pdf>

9 Economic Commission for Africa, 2022, cited in UN. 2022. *Impact of the Covid-19 pandemic on Trade and Development.* https://unctad.org/system/files/official-document/osg2022d1_en.pdf

10 United Nations. 2022. Cited in UN. 2022. *Impact of the Covid-19 pandemic on Trade and Development.* https://unctad.org/system/files/official-document/osg2022d1_en.pdf

11 US\$60 billion has been committed but nothing has been delivered after a year, and when it comes it will be associated with International Monetary Fund programmes

The GPI [Report on Progress](#) provided SIX compelling reasons to support the GPI approach, which we reaffirm here:



More money. The most basic reason the GPI option is attractive is its potential to bring additional (grant) finance to the table. This is sorely needed at a time when most national governments are taking on more debt. By increasing the overall number of contributors, tied to a fair-share calculation, GPI can raise fresh money for global priorities. A number of accepted burden-sharing approaches could be the basis of a new formula to determine the level at which different countries contribute to international schemes.



Better money. There is copious evidence that public spending is most effective when all stakeholders are fully involved in managing it. As a form of public investment, GPI funding would also allow investments in risky endeavours, and this money would be longer term and more robust, allowing for greater investment in things requiring ongoing commitments, such as infrastructure and public services.



Public money. Over the past few decades, structural economic trends, combined with a political acceptance of inequality, have resulted in a growing concentration of private economic power in rich and poor countries alike, together with the systematic undermining of state fiscal capacity to allocate resources equitably. Global Public Investment strengthens the ability of countries across the world to deliver public goods and services through a public interest mechanism.



A response to global ambitions. GPI offers a more effective and equitable way of structuring how we prioritise international public needs and would help avoid a boom-and-bust approach to global crises. Many reform proposals are floating around at present, such as surge funding for climate change, pandemic response financing, global social protection funds and more. Many of these could come under the banner of GPI as a broad narrative for a paradigm shift in how we finance international public needs.



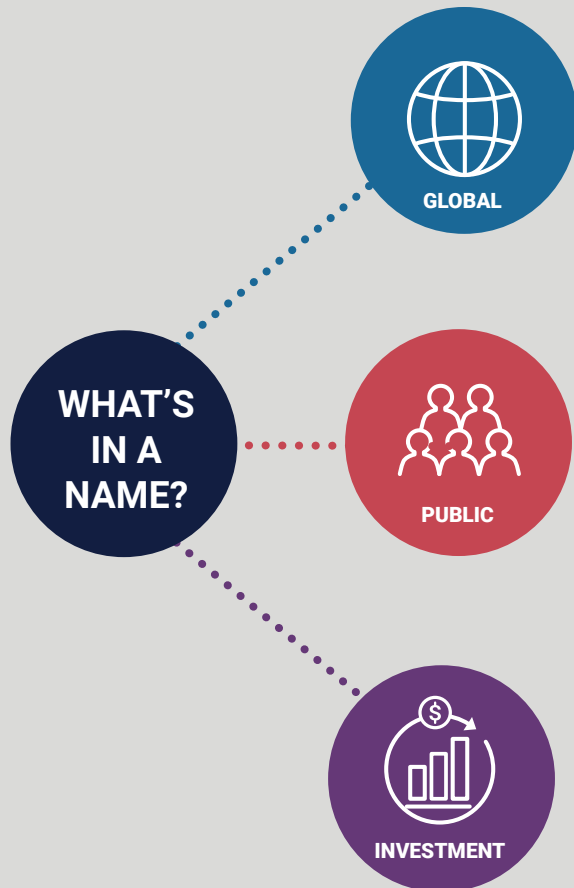
A response to multilateral bottlenecks. GPI has the potential to revitalise multilateralism, revolutionising outdated mid-20th century governance arrangements, and overcoming some of the existing gridlocks in international affairs by creating a forum where all countries find their interests better represented. Different countries, with different interests, developing in different ways, all need to do so in the context of a single global economic system.



A compelling modern narrative. GPI is an ambitious and potentially transformative undertaking, but at the same time, it is a simple and intuitive concept: all countries pay in, all receive, and all have a say in how the money is spent. It is a concept that takes us beyond the patronising language of charity and aid towards an empowering narrative of mutual responsibility and cooperation.

Box 1: Global Public Investment: What's in a name?

We need a new system to meet our global ambitions through long-term, reliable investment in the goods, capital and infrastructure they require.



GLOBAL. The new system needs to be truly global, with all countries contributing, all benefiting, and all having a say in the decisions that are made. It needs to respond to the massive global challenges we face in the 21st century, and the opportunities we have to make the world a better place.

PUBLIC. The new system must be built with public money at its core because it needs to respond to the public will, be held accountable by the public, and be directed at public goods, services and infrastructure. Private money cannot substitute for the unique nature of public finance and spending.

INVESTMENT. We need to think of this system as transformative investment intended to realise social, economic and environmental returns, for example, through building social infrastructure and securing the provision pathways of complex global and regional public goods that would otherwise go under-supplied (if left to individual nations and private actors alone).

Perhaps the most important outcome of the Global Consultation was simply the **strong support** we found for GPI across regions, themes and organisational types – the clamour for a new model of development finance. We were pleased to receive the many comments and critiques, and the thrust of the EWG proposal for GPI (as articulated in our Report on Progress) was overwhelmingly validated.

The three universal principles behind GPI – **all contribute, all benefit, all decide** – are also increasingly appearing in development finance literature. They are the best way to communicate a fundamental shift from the traditional aid paradigm in which one set of countries contributes and governs, while another set is the intended beneficiary.

Global Public Investment is the right approach because it responds to the complex, intersecting challenges the world faces in 2022. With countries under huge fiscal stress, there has never been a greater need for **swift, debt-free public resources from international sources**, rather than having to beg for charity or rely on ad-hoc voluntary commitments.

3. Cocreating Global Public Investment

Cocreation is at the heart of the GPI approach, from defining the problem that it seeks to address and the principles that it sets out as a solution, to developing the technical details and engaging in processes to build political support. As development experts and practitioners in international cooperation, we know that good policy must draw on the experience, knowledge and legitimacy of all stakeholders. In addition to allowing a more complete appraisal of GPI, the process of cocreation, including the Global Consultation, has brought together a growing community of supporters across regions and issues to move GPI forward.¹²

While much progress has been made, many questions remain regarding how to build GPI that fulfils its potential, responds to its founding principles, and is also acceptable politically to enough key players to make it a reality. The Consultation helped bring more questions to the table, including:

Technical. How do you build a complex interconnected system of contributions? How does this system coexist with existing structures, understanding the need to create a new approach that reflects the voices of all countries and relevant stakeholders? How much does each country contribute, based on what formulas? What does an effective system of decision-making look like, running from sub-national level through national, regional, all the way up to the global level, and incorporating civil society, key affected communities and the other neglected actors within the cooperative system in a relevant and active way? What specific issues does GPI intend to address, understanding that it cannot solve all problems.

Political. Given the tendency of those with power to try to maintain it, proponents of GPI need to consider what incentives would attract different countries to take part in the cocreation of this new agenda, and what tactics to employ to make the benefits obvious to them. Rich countries will need to see national as well as global benefits; middle-income countries (MICs) will need to see their voice and influence increase, as well as be clear that some of them will be net receivers; low-income countries (LICs) will need guarantees of the direct benefits a changed global system will provide them with. All of them will need to be persuaded of the need to cooperate to build a better system through continuous contributions.



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¹² With the support of Queen Mary, University of London, Equal International commissioned an expert report to help design the GPI Global Consultation phase according to best practice: [Cocreation and Consultation for GPI: Best practices and principles](#)

With much work still to do to develop and begin to implement the GPI approach, the growing network of organisations working on GPI must continue to:

Hone the proposal. We need to continue to cocreate the concept such that it becomes, in the words of the EWG's Terms of Reference, 'a technically feasible and politically attractive proposal'.

Apply it in practice. Despite this being a 'universal' scheme, GPI offers the flexibility to be adapted and adopted in different forms. Trailblazers need to take the lead in applying GPI principles to specific opportunities. These could be governments, multilateral organisations, or other parts of the international cooperation ecosystem, including non-governmental organisations and think tanks.

Build support. At some stage, national representatives will need to agree to this new framework, having worked out the specific parameters and formulas for themselves. This will take some years, but 2030 provides a reasonable point in time to have a new GPI system in place for the post-SDG era – by this time, the value of public financing will surely have become an even more pressing imperative.

As the GPI network continues to build, it should focus on inclusive representation, linking to ongoing work, campaigns and regional leadership.

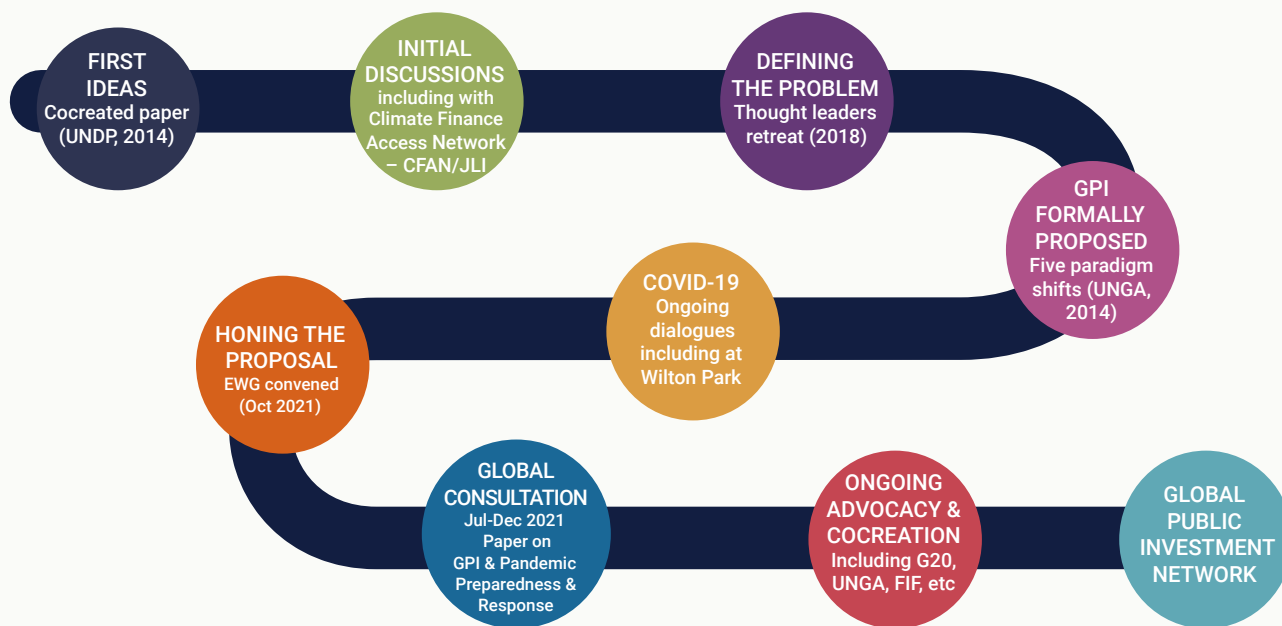
3.1 Inclusive representation: Process matters as much as outcome

By its nature, GPI implies representative decision-making and policy design, and it is by sticking to these principles that the GPI proposal will emerge as fit-for-purpose to meet our common needs. Better governance structures can be designed to redistribute decision-making power and enable all parts of the current ecosystem (including civil society and grassroots communities) to engage more meaningfully – offering a better chance to influence outcomes that serve the needs of diverse populations. Over the coming months and years, GPI needs to secure buy-in through engagement with a wide range of stakeholders, including governments at all income levels, multilateral organisations and civil society groups, as well as social movements and publics from various socio-economic demographics.

In order for GPI to work, it will need a sophisticated cross-sectoral approach that considers, among other things, global, regional, national and local transformative needs (for example, a country's vulnerability to climate change, poverty rates, education levels, level of infrastructure provision) and ability to pay (for example, per capita income, levels of debt, levels of domestic resource mobilisation, economic growth). Spending on GPI needs to be according to measurable targets and indicators, with independent monitoring processes; a broad range of social, environmental, political and economic indicators should be used to guide eligibility and allocation methodologies and be complemented by information that is actionable at all levels.¹³

¹³ The geographic location of a possible GPI headquarters is also significant; with few exceptions, most UN and multilateral agencies are based in the US or Europe and there would be meaningful significance in GPI departing from this 'norm'.

Cocreation of Global Public Investment: The timeline



During the Consultation, we heard that worsening civic space is buffering political leaders through public pressure and scrutiny of their decisions, which, alongside the spread of disinformation and corruption, continues to undermine the processes and institutions of democracy in many parts of the world.¹⁴ This puts increased strains on human rights and democratic freedoms; reasoned political debate is becoming harder, with little prospect of injustices being contested; ultimately, people’s needs and realities are not reflected in institutional politics and investment priorities.

Global Public Investment is firmly based on the human rights principle that every human being must have a say in decisions that affect their lives, and that governments have a duty to meet the needs of all people, without any discrimination.¹⁵ An environment that enables a vibrant, diverse and autonomous civil society is an important precondition for achieving the goals of GPI. From the outset, diverse voices, including those of civil society groups, must be meaningfully included in design, decision-making and monitoring processes at all levels of any GPI system. These groups and this process must be adequately resourced and enabled, including through safeguards for marginalised groups.



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¹⁴ Civicus. 2022. *State of Civil Society Report*, June. <https://www.civicus.org/documents/reports-and-publications/SOCS/2022/CIVICUS2022SOCSRReport.pdf>

¹⁵ UN. Universal Declaration of Human Rights, Article 29. <https://www.un.org/en/about-us/universal-declaration-of-human-rights>

3.2 Links with major sectors and global campaigns

We asked participants in the Global Consultation what kind of challenges they were facing. The diversity of our respondents provided a broad range of replies, from local concerns and national accountability through to global crises. They told us how COVID-19 impacted **health systems** and financing for other health priorities, while also highlighting inequalities in vaccine manufacturing and distribution. At the same time, **climate change** financing is grossly inadequate for the scale of the challenge our planet faces. Meanwhile, profound **inequality and injustices** that existed prior to the pandemic are being aggravated by global health and social and economic crises, but are not receiving an adequate global response, with the current global governance system proving once more that it is inadequate to guarantee rights and keep people safe. These perceptions are vindicated by the protests for economic, climate and social justice that are shaking countries in all regions.

The ideal GPI model would bring together sectoral expenditure under a coherent silo-breaking structure, given the overlaps across sectors and a general wariness of too many separate funds. It would also bring coordination and the ability to plan over the longer term: two desperately needed features that are presently lacking. At the same time, it is important to develop work in different sectors.



3.2.1 Health

The recent global COVID-19 pandemic has proven beyond any doubt the urgent need for more global cooperation in the health sector. Weak health systems and infrastructure across the globe will continue to provide fertile ground for future pandemics to spread quickly and be difficult to prevent and manage. The uneven distribution of vaccines, refusal to share know-how and trade secrets, and the lack of manufacturing capacity in sub-Saharan Africa in particular, further aggravated global health inequity.

However, the need for change goes beyond narrow definitions of global public goods (GPGs), such as vaccine formulations. Sufficient public money is required to develop and sustain health and community systems that are universally accessible and based on need rather than 'ability to pay'. Public funding should leverage lessons and existing health systems architecture from other diseases, such as HIV, to efficiently deliver comprehensive quality care so that systems are better prepared to react appropriately to pandemics, in close collaboration with public institutions at regional and international level.

An increasing number of reports in the health sector are promoting the GPI approach, either explicitly or implicitly. For instance, in a recent note on the proposed Financial Intermediary Fund (FIF) for Pandemic Preparedness and Response (PPR), the WHO Economic Council, chaired by Professor Mariana Mazzucato, argued that: '...the FIF can only be successful in strengthening global cooperation and action on PPR through a universally representative governance structure, along with universal contributions according to capacity (including in-kind) and universal access to its benefits.'¹⁶

¹⁶ Comments from the WHO Council on the Economics of Health for All. 2022. *A Proposed Financial Intermediary Fund (FIF) for Pandemic Prevention, Preparedness and Response Hosted by the World Bank – Elevating Ambitions Beyond Business as Usual.*



3.2.2 Climate

Climate justice is a global issue that demands a new kind of global solidarity, supported by a new type of global public financing framework. This framework needs to be much more ambitious, seeking to increase, not only volumes of funding, but also the governance around it to ensure it is utilised in the most effective way and reaches those who need it most. Climate finance has fallen far short of what is needed. Mitigation financing has fared a little better than adaptation because it is seen as GPG (and because it attracts the interest of the private sector), but it has still been unimpressive and mostly in the form of loans. Meanwhile, the need to respond to increasing loss and damage caused by the major emitters is becoming urgent.

The US\$100 billion annual commitment for adaptation and mitigation purposes is antiquated and no longer fit to respond effectively. It is essential to have more ambitious goals and to think outside-the-box in order to engage effectively with climate finance at global and local levels. The need for increased concessional funding, on adaptation, mitigation, and also loss and damage, was reiterated during our Consultation, as it is in every international meeting on the subject, including the Glasgow COP26 in 2021. The issue will be a key feature of the Cairo COP27 in 2022, where it is imperative that GPI is on the table.



3.2.3 Inequalities

It is time to move on from the limited and paternalistic narrative around poverty and start treating poverty and inequality as a joint responsibility for all countries that are seeking a better and more sustainable world. Consultation participants highlighted the need to contemplate various inequality issues (including gender, sustainability, respect for the rights of indigenous people) as integrated and cross-cutting themes. Global Public Investment is not just for GPGs, but for all the challenges we face as a world, as expressed in Agenda 2030. As such, the growing GPI network needs to link with other campaigns against global inequality, for example:

Campaigns targeting other aspects of the global political economy, such as those on tax and unregulated private capital, debt (re-emerging in this COVID-19 context), and climate (the call for a global green new deal).

Other initiatives with a similar perspective on aid, many of which are based in the Global South, such as Network for Empowered Aid Response – NEAR – and the Kampala Initiative. GPI could be the international complement to these attempts to make aid work better.

Pro-public spending campaigns in general, again, often at the national and regional level. One of the main GPI messages is that, as the era of neoliberalism comes to an end, there must be a renewed confidence in public money for public objectives and human rights. The GPI campaign promotes much more public spending at the international level to enhance and complement national spending, precisely because fiscal space at the national level has often been reduced by global rules and norms.

Social Protection is one area of attention where a GPI approach could be quickly adopted. Discussions are underway to develop a Global Fund for Social Protection, but it is still often couched in a traditional north-south 'aid' narrative. Instead, a GPI approach could mean a fund fit for the 21st century.

3.3 Regional leadership

Throughout the Consultation, participants made constant reference to the importance of regional bodies in providing a continental perspective to complement national and global entities – reflecting the deliberations of the EWG. The pandemic has accelerated the appetite for regional multilateralism and highlighted the need for more control over regional resources. The GPI principles must work, not only for global systems, but for regions too.¹⁷

The regions will play a critical role in building the GPI approach, particularly as part of an effective, fair and accountable governance structure. Each regional context has its own distinct trajectory when it comes to how it might help make GPI a reality and benefit from it. Empowering regions to take more control over their own futures is critical to shifting power, with more and more decisions made closer to the locations where they are relevant.

Africa loses more money to the Global North than it receives due to unequal terms of exchange. However, for the time being, it remains the continent that still receives the most traditional Official Development Assistance (ODA), although many countries are preparing for an expected reduction in concessional finance, while managing substantial new economic relationships with China. Given the challenges Africa faces, and the fact that the current global financial architecture does not facilitate an equitable approach for the continent, it is not surprising that the concept of GPI is garnering interest in the region. It is a great opportunity for global solidarity and a means for Africans to *own* their development, as it reinforces the desire to ‘shift the power’.

Asia is huge and diverse and has had the fastest economic growth in the world, although with wide country variations, largely driven by China. It has a less coherent regional approach, even more so than in other continents, therefore it is helpful to break it down into subregions. The GPI principles are already being considered in the ASEAN (Association of Southeast Asian Nations) space. China and India are major contributors of finance, both regionally and further afield, while smaller countries are also developing cooperation agencies. Some countries in the Middle East are already major players and are keen to engage in developing the global governance system.

Latin America and the Caribbean is a largely post-ODA region and has spent well over a decade reflecting on that fact, building new ideas and fairly strong relationships between countries, leading to a quite specific south-south cooperation model and discussions about ‘development in transition’. But structural gaps in the region have deepened, generating an increase in all types of inequality. COVID-19 broke out as the region was undergoing social tensions, with low economic growth and a marked increase in poverty.

Europe and North America are ‘traditional donors’ and therefore have different perspectives to the other regions. There is some enthusiasm for GPI as an opportunity to break through silos in US thinking, while in Europe some countries are showing interest in the concept as they set out fresh initiatives to finance global goods in a new era. The European Union structural funds are already an example of the GPI principles. The key to unlocking progress in these regions is a strategic approach with realistic analysis of political possibilities.

¹⁷ This kind of thinking is already present in some regions, most obviously in the European Union structural funds.

Despite the challenges of COVID-19, regions across the world are becoming wealthier, with a growing middle class. As regional wealth grows, so does the ability of countries to contribute to regional funds that will help support regional development at a faster pace; increase independence of countries dealing with complex challenges, and reduce the dependency of poorer countries on GPGs that remain volatile and often do not align with regional and national priorities.

There is a clear need for more concessional grant financing for public goods and other development priorities at the regional level, which is not currently being met. The concept of Regional Public Investment (RPI) has emerged from our discussions as a crucial component of the overall GPI proposal, governed by the same principles of all contribute, all benefit and all decide, but led, designed and implemented by regions themselves to meet regional needs.

When it comes to the allocation of GPI resources, the emphasis GPI places on regional bodies and national governments not only redistributes accountability, but also enables more effective targeting. A GPI/RPI system would reduce reliance on the goodwill of foreign governments and make funds more predictable, easier to manage and more flexible when responding to crises. It would also help create stability by linking countries more closely and taking a regional perspective in managing regional problems.

As with all aspects of GPI, the regional dimension will need criteria to ensure transparency, accountability, good governance and effectiveness. This might include separating regional bodies with decision-making functions from those serving as implementing agencies, having independent observers and external auditors, and defining key governance principles in a participatory way.



Empowering regions to take more control over their own futures is critical to shifting power, with more and more decisions made closer to the locations where they are relevant.

4. Recommendations

Global Public Investment is an idea whose time has come. The evolutions proposed by the GPI approach are now agreed by many across the political spectrum and across the world. The EWG has pushed forward the GPI proposal and added new insights, particularly focused on the core principles that need to be embedded. The Global Consultation has demonstrated strong support for GPI globally, while raising important questions and highlighting new ideas. The challenge now is to incrementally introduce GPI into global policy-making and commitments. This will require continued technical development of the concept and – even more importantly – ongoing building of political momentum. In short, we must now begin a new phase to build and promote GPI.

As the work of our EWG comes to an end, we encourage people and organisations everywhere to join the movement for GPI, whether helping to build political momentum, honing the technical proposal, advocating for adoption, or actually implementing GPI principles in funds or other ways.

Cocreation is the overarching principle of GPI implementation. Evidence shows that, in order for international cooperation to be effective, it must draw on diverse experiences, and the knowledge and perspectives of all stakeholders that will give it legitimacy. For GPI's goals – all contribute, all benefit and all decide – to become a reality, institutions and governments need to cocreate new modalities with all relevant stakeholders – especially those from the Global South, those at community level, and civil society. The cocreation process must be at the centre, enabling stakeholders to define problems, select the most appropriate solutions, agree processes and technical details and build political support.

As we move forward, the EWG-GPI makes the following Recommendations to the individuals and organisations that need to collaborate, working together in the coming months and years to make GPI a reality.

1

Adopt GPI principles into all new and existing global funds and initiatives



Participants in the Consultation were impatient to see GPI implemented as soon as possible, and so are we. Ultimately, it can only be established and run effectively with a major agreement between countries. However, trailblazing funds and multilateral organisations can introduce GPI principles into their work so that the fundamental concept – all contribute, all benefit, all decide – is embedded in their operations. The meaningful inclusion of representative voices in decision-making and accountability is crucial. This experimental adoption of GPI will contribute to the technical development of the approach as the principles are applied to concrete opportunities. It will also boost the momentum for change, as GPI is shown to be an effective way to fund global objectives.

2

Establish GPI budget lines in government spending plans



Given the current transformative opportunities for global public finance, pioneering governments should introduce GPI budget lines and start to finance them. Even though there is no global GPI system, governments can begin to allocate their money to GPI-compatible spending. These countries will become 'GPI champions', catalysing wider support via their membership in key intergovernmental processes, and strengthening a multilateral approach.

3

Establish GPI principles at the core of global health financing



GPI should be at the heart of current efforts to prepare the world for the next pandemic and to strengthen health and community systems. It could help improve our fragmented system of global health financing and the overemphasis on the role of private sector provision within it. Among the many panels convened to respond to the crisis, the G20 High Level Panel and the WHO Council on Economics of Health for All have called for transformation along the lines of GPI. The current discussions about a future Pandemic Treaty, revision of the International Health Regulations (2005), and efforts led by the G20 for a global health security fund, present immediate opportunities to discuss the potential to employ GPI principles.

4

Incorporate GPI into efforts to reinvigorate climate finance



A GPI model would hardwire global redistribution into the climate finance system and build on the common but differentiated responsibilities (CBDR) principles. Although all countries contribute, wealthier countries would be net contributors, and poorer countries net recipients of substantial flows. GPI responds to the need for better harmonisation of climate funds, with greater coherence between the specialisation of funds, as well as greater representation to ensure these funds reflect country ownership. In particular, GPI should be the basis of the loss and damage funds as they emerge.

5

Evolve Regional Public Investment mechanisms to complement GPI

Relevant regional institutions should evolve current mechanisms towards an RPI model as part of a global shift towards GPI. Although RPI would be tailored to each region, it would aim to leverage funds from the region to create greater regional equity, foster regional development, and deliver regional public goods, specifically targeting the convergence of the poorest countries and subregions with regional leaders. All countries in a region would have a stake in the system by contributing based on affordability. They would have a voice in how funds are spent in their own countries and aligned to regional objectives, and a shared accountability to each other to drive growth and development in their countries for the stability and success of the whole region.

6

Link to other global, regional and national campaigns, especially on inequality

GPI emphasises the need to achieve the SDGs and fight inequality. It has the potential to fill gaps in global financing for development and climate with sustainable investments – but it cannot do it alone. The GPI network should link up with other networks, social movements and coalitions to add value to and build on existing work. These include tax justice, health and human rights, climate justice, debt and movements for social protection. This synergy will mount the maximum possible pressure for change.

7

Build an inclusive GPI Network to enable cocreation

In order to build a movement to support GPI adoption, it will be necessary to set up a diverse and effective coordination network. The challenge for the network will be to gather support from across the globe and give flexibility to member organisations to lead in different ways in their spheres of influence – at the same time staying aligned to a broad theory of change. Because the GPI approach emerges from a critique of the Global North's approach to aid and global public finance, the GPI network should have strong leadership from organisations in the Global South, changemakers and experts. Better communication materials are required to inspire a wide range of stakeholders, from senior decision-makers to the general public.

8

Engage in major UN (and other) processes on the road to 2030



Making GPI a reality will not be easy. While the direction is clear and the long-term trends are conducive, there are many obstacles along the way, especially in the short term. We expect GPI principles to become increasingly and commonly accepted in global public finance in the years leading up to 2030. In 2030, GPI may be formally adopted by UN Member States, assuming the next implementation strategy for achieving our global goals includes a better structure for funding them. Energetic and strategic advocacy will be required along with experimental adoption if we are to overcome barriers, build on incentives and bring decision-makers over the line. Major UN processes are important ways to do that. These include the Finance for Development process, which was the basis for the Addis Ababa Action Agenda, and plans for a Summit of the Future in 2023.

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