

# WASMUN 2018

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Background Guide for the

## General Assembly Second Committee

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## Welcome from Director-General

*Dear Delegates,*

It is with great pleasure that I welcome you all to Washington State Model United Nations (WASMUN) 2018. My name is Tyler Lincoln, and I am serving as your Director-General for this year's WASMUN conference. Throughout my time at the University of Washington, I have been able to participate in Model United Nations as a delegate, committee staff, and executive staff, each bringing their own sets of challenges and rewards. I have been working with WASMUN for 3 years now, first serving as committee staff, and last year as the Assistant-Director-General for WASMUN 2017. As Director-General for this year's conference, it has been my goal to continue to increase WASMUN's ability to provide a fun, challenging experience from which all can grow and learn.

The theme of this year's WASMUN conference is building a more sustainable future together. With the conference taking place in the Pacific Northwest, and keeping in mind the 2015 Sustainable Development Goals, this year's WASMUN is focusing on diversity and inclusivity. The wide range of committees chosen for WASMUN this year aims to reflect the importance of sustainable development. Additionally, the diversity of committees aims to show the interlinkages between the social, economic and political pillars of sustainable development. Each of these three dimensions is crucial for promoting the development of all. We hope you keep this in mind as you pursue your own unique solutions to the challenges we provide you.

On a final note, each committee dais worked hard in ensuring they provide you with helpful and useful information through writing the background guides. That being said, I wish you the best of luck in preparing for this conference and I look forward to meeting you all in a couple of months! If you have any questions during your preparation, please don't hesitate to send them to [dg@wasmun.org](mailto:dg@wasmun.org).

Best,

Tyler Lincoln

Director-General

WASMUN 2018

## Welcome from the GA2 Committee Staff

*Dear Delegates*

On behalf of the Secretariat and the General Assembly Second Committee Dais, we welcome you to WASMUN 2018! It is our sincerest hope to guide you in producing fantastic work through the creation of committee resolutions that all of you will be negotiating with each other. This year's First selected topic highlights the critical role of Women in Development and aims at finding new and innovative ways of increasing their participation in the economy. The Second topic addresses the importance of Financial Inclusion for Sustainable Development and aims to encourage cooperation and knowledge sharing between member states on this issue. We look forward to seeing healthy dialogue as you take up the mantle of representatives of your respective Member States and contribute to a challenging, yet changing, conversation about these issues.

Sincerely,

Amira Ramiz, Chair

Haley Rogers, Assistant Director

Mardav Jain, Director

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## Committee Overview

### *Introduction*

After the end of the second World War, the United Nations (UN) was created as an international organization on 26 June 1945.<sup>1</sup> This international organization is a platform that aimed to maintain international peace and security, protect human rights, coordinate humanitarian aid, promote sustainable development and uphold international law.<sup>2</sup> One of the main organs of the UN is the General Assembly (GA), and it is the only organ with universal representation. The GA is a forum to discuss and work together on issues such as international law, peace and security and development.<sup>3</sup> Therefore, it is necessary to examine concerns of critical importance to the international committee in the GA. Some of the most important issues affecting us today include that of women in development and the financial inclusion for sustainable development. The Second Committee is one of the six Main Committees in the GA and it is the committee that focuses on issues pertaining to the affairs on economic and finance.

### *Structure and Organization*

The GA is the only UN body that has all 193 Member States being represented, and where every Member State is provided a single vote.<sup>4</sup> The State of Palestine and Holy See are Non-member States who have been observers in the work of the GA. The GA is one of the six principal organs of the UN and it is the main deliberative, policymaking and representative organ of the UN.<sup>5</sup> The GA consists of a plenary body for final decisions, and six Main Committees: Disarmament and International Security (First Committee), Economic and Finance (Second Committee), Social Humanitarian and Cultural (Third Committee), Special Political and Decolonization (Fourth Committee), Administrative and Budgetary (Fifth Committee), and Legal (Sixth Committee).<sup>6</sup> In addition to its six Main Committees, the GA has established and oversees a number of subsidiary organs that consists of Boards, Commissions, Committees, Councils, Ad-Hoc Councils, and Working Groups to meet its mandate.<sup>7</sup> After discussing the items on the agenda, seeking where possible to harmonize the various approaches of Member States, the subsidiary organs present their recommendations, usually in the form of draft resolutions and decisions, to a plenary meeting of the Assembly for its consideration.<sup>8</sup>

The **Second Committee**, one of the six Main Committees of the GA, is allocated agenda items related to economic and financial matters.<sup>9</sup> These agenda items often specifically address economic growth and development and some issues faced by the Second Committee include financing for development, sustainable development, globalization and interdependence, eradication of poverty, operational activities for development and information and communications technologies for development.<sup>10</sup>

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<sup>1</sup> United Nations, *History of the United Nations*, n.d., <http://www.un.org/en/sections/history/history-united-nations/>

<sup>2</sup> United Nations, *What We Do*, n.d., <http://www.un.org/en/sections/what-we-do/index.html>

<sup>3</sup> United Nations, *General Assembly of the United Nations*, n.d., <http://www.un.org/en/ga/>

<sup>4</sup> Ibid.

<sup>5</sup> Ibid.

<sup>6</sup> United Nations, *UN Documentation: General Assembly*, n.d., <http://research.un.org/en/docs/ga/committees>

<sup>7</sup> United Nations, *Subsidiary organs of the General Assembly*, n.d., <http://www.un.org/en/ga/about/subsidiary/index.shtml>

<sup>8</sup> Ibid.

<sup>9</sup> United Nations, *Economic and Financial Committee (Second Committee)*, 2017, <http://www.un.org/en/ga/second/>

<sup>10</sup> Ibid.



## *Mandate and Powers*

Comprising of all 193 Member States of the UN, the GA provides a unique platform for multilateral discussion of any international issues that falls under the Charter of the UN.<sup>11</sup> The GA has a normative impact on international relations by setting global policy recommendations on major international issues.<sup>12</sup> Therefore, while the resolutions are legally non-binding, they play an important political role in adopting decisions and setting international norms to be translated to regional or national laws.<sup>13</sup> As a key UN body, it can also create funds, programs, and offices such as the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA).<sup>14</sup> Additionally, it can foster collaboration between the UN system and specialized agencies outside the GA through independent organizations that have a relationship with the UN. The GA is also permitted to make any recommendations under its purview to the Security Council, Member States and the UN organs.<sup>15</sup>

Each of the 193 Member States in the Assembly has one vote.<sup>16</sup> Votes taken on designated important issues, such as recommendations on peace and security, the election of Security Council and Economic and Social Council members, and budgetary questions, require a two-thirds majority of Member States, but other questions are decided by a simple majority.<sup>17</sup> In recent years, an effort has been made to achieve consensus on issues, rather than deciding by a formal vote, thus strengthening support for the Assembly's decisions.<sup>18</sup> The President, after having consulted and reached agreement with delegations, can propose that a resolution be adopted without a vote through acclamation, which is usually how resolutions are adopted in the GA today.<sup>19</sup>

## *Recent Work*

As of 1 December 2017, the GA has adopted 42 resolutions from the Second Committee during the 72<sup>nd</sup> session.<sup>20</sup> The issues covered a wide range of topics that centered around development, including those that aimed to achieve equality in various marginalized groups such as women and between social classes.<sup>21</sup> In addition to adopting these resolutions, the Second Committee held side events that consisted of discussions about promoting gender equality and technological advancement in development.<sup>22</sup> Through the resolutions drafted and adopted, discussions against the political and economic coercion in developing nations and combatting illicit financial flows had been made during the last session.<sup>23</sup> After further review on the issues such as gender equality in healthcare and the right women should have over family planning and their sexual and reproductive health, the

<sup>11</sup> United Nations, *Functions and powers of the General Assembly*, n.d., <https://www.un.org/en/ga/about/background.shtml>

<sup>12</sup> Ibid.

<sup>13</sup> Ibid.

<sup>14</sup> UNRWA, *Who We Are*, n.d., <https://www.unrwa.org/who-we-are>

<sup>15</sup> Charter of the United Nations, 1945. <http://www.un.org/en/charter-united-nations/>

<sup>16</sup> Ibid.

<sup>17</sup> Ibid.

<sup>18</sup> Ibid.

<sup>19</sup> Ibid.

<sup>20</sup> United Nations, *Second Committee*, 2017, <http://www.un.org/en/ga/second/72/proposalstatus.shtml>

<sup>21</sup> Ibid.

<sup>22</sup> United Nations, *Economic and Financial Committee (Second Committee)*, 2017, <http://www.un.org/en/ga/second/72/events.shtml>

<sup>23</sup> United Nations, *Second Committee Approves 21 Draft Resolutions, Including Texts on External Debt Sustainability, Agriculture Development, Combating Illicit Financial Flows*, 2017, <https://www.un.org/press/en/2017/gaef3490.doc.htm>

resolution on “women in development” was also approved without a vote.<sup>24</sup> Drafts about development concerning culture and sustainability, agriculture as well as science, technology and innovation had also been rigorously examined and adopted.<sup>25</sup>

## *Conclusion*

Overall, the Second Committee has a critical influence on issues like budgetary, financing and development matters in the UN and is working to continue tackling problems such as women in development and the financial inclusion for sustainable development. The Second Committee shapes responses to these issues through the various resolutions it submits to the GA with the diplomacy and cooperation of Member States.

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<sup>24</sup> United Nations, *Concluding Session, Second Committee Passes 14 Draft Resolutions, Including Texts on Macroeconomic Policy, Trade Liberalization*, 2017, <https://www.un.org/press/en/2017/gaef3491.doc.htm>

<sup>25</sup> Ibid.

## I. Women in Development

### *Introduction*

The Women in Development (WID) approach emerged in the 1970s out of the research on African farmers which noted that, far from being gender-neutral, development was gender-blind and could harm women. This approach constructed the problem of development as being women's exclusion from a benign process<sup>26</sup> Women's subordination was seen as having its roots in their exclusion from the market sphere and their limited access to, and control, over resources.<sup>27</sup> The key was then to place women in development by legislatively trying to limit discrimination and by promoting their involvement in education and employment.<sup>28</sup> In addition to the enormous socio-economic ramifications, promoting women in development also contributes to gender equality. Women also play a particularly important role in development of countries and in significantly increasing the economic efficiency of a country.

However, the statistics for women's participation are dismal. In 2013, the male employment-to-population ratio stood at 72.2 per cent, while the ratio for females was 47.1 per cent.<sup>29</sup> Globally, women are also paid less than men. Women in most countries earn on average only 60 to 75 per cent of men's wages.<sup>30</sup> Contributing factors include the fact that women are more likely to be wage workers and unpaid family workers; that women are more likely to engage in low-productivity activities and to work in the informal sector with less mobility to the formal sector than men; the view of women as economic dependents; and the likelihood that women are in unorganized sectors or not represented in unions.<sup>31</sup>

Rural women are key agents for development. They play a catalytic role towards achievement of transformational economic, environmental and social changes required for sustainable development but limited access to credit, health care and education are among the many challenges they face.<sup>32</sup> The Food and Agricultural Organization (FAO) of the United Nations (UN) estimates that if women farmers (43 per cent of the agricultural labour force in developing countries) had the same access as men, agricultural output in 34 developing countries would rise by an estimated average of up to 4 per cent. This could reduce the number of undernourished people in those countries by as much as 17 per cent, translating to up to 150 million fewer hungry people.<sup>33</sup> Thus supporting women in development is also essential to combating global poverty and hunger.

### *International Framework and Committee-specific Action*

<sup>26</sup> Women's role in economic development: Overcoming the constraints, Background paper for the High-Level Panel of Eminent Persons on the Post-2015 Development Agenda. <http://unsdsn.org/wp-content/uploads/2014/02/130520-Women-Economic-Development-Paper-for-HLP.pdf>

<sup>27</sup> Ibid.

<sup>28</sup> Ibid.

<sup>29</sup> International Labour Organization, Global Employment Trends 2014: Risk of a jobless recovery, 2014. [http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms\\_233953.pdf](http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_233953.pdf)

<sup>30</sup> Facts and Figures: Economic Empowerment, UN Women. [http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms\\_233953.pdf](http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_233953.pdf)

<sup>31</sup> Ibid.

<sup>32</sup> The Role of Women in Rural Development, Food Production and Poverty Eradication 2013, UN Women. [www.unwomen.org/en/news/in-focus/rural-women-food-poverty/2013](http://www.unwomen.org/en/news/in-focus/rural-women-food-poverty/2013)

<sup>33</sup> Ibid.



Gender equality as a human right was first established in the Universal Declaration of Human Rights, adopted by the General Assembly (GA) on 10 December 1948 which reaffirms that “All human beings are born free and equal in dignity and rights” and that “everyone is entitled to all the rights and freedoms set forth in this Declaration, without distinction of any kind, such as race, colour, sex, language, religion, birth or other status.”<sup>34</sup>

The centrality of women in development especially in achieving sustainable development has been increasingly recognized in recent decades. The UN adopted the Sustainable Development Goals (SDGs) in 2015, which included Goal 5 on the goal of achieving gender equality and the empowerment of all women and girls. Some of its targets include, recognizing and valuing unpaid care and domestic work, ending all forms of discrimination against all women and girls everywhere and ensuring women’s full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic and public life.<sup>35</sup> This goal also brought attention to the wage gap issue: women worldwide make 77 cents for every dollar earned by men.<sup>36</sup>

The recognition of gender equality is also evident in a number of international norms and agreements, including principle 20 of the Rio Declaration on Environment and Development, adopted in 1992, which in its statement, regarded the full participation of women as being essential to achieving sustainable development.<sup>37</sup> In the Beijing Declaration and Platform for Action, adopted by Member States in 1995, governments were called upon to integrate gender concerns and perspectives into policies and programmes for sustainable development.<sup>38</sup>

In July 2010, the United Nations General Assembly created UN Women, officially the United Nations Entity for Gender Equality and the Empowerment of Women, to address the aforementioned challenges. In doing so, UN Member States took an historic step in accelerating the Organization’s goals on gender equality and the empowerment of women. The creation of UN Women came about as part of the UN reform agenda, bringing together resources and mandates for greater impact.<sup>39</sup> UN Women focusses on five priority areas: increasing women’s leadership and participation; ending violence against women; engaging women in all aspects of peace and security processes; enhancing women’s economic empowerment; and making gender equality central to national development planning and budgeting.

## *Case Study and Key Issues*

### **Women in India**

India is one of the fastest growing economies in the world but despite its economic success, the country is far from reaching its true potential due to a lack of women’s involvement in development. According to the 2011 Census of India, the population of the country is more than 1.21 billion and out of it, 72.20 per cent of the total

<sup>34</sup> Women, United Nations, United Nations. [www.un.org/en/sections/issues-depth/women/](http://www.un.org/en/sections/issues-depth/women/)

<sup>35</sup> Sustainable Development Goal 5: Gender Equality, UN Women. [www.unwomen.org/en/news/in-focus/women-and-the-sdgs/sdg-5-gender-eq](http://www.unwomen.org/en/news/in-focus/women-and-the-sdgs/sdg-5-gender-eq)

<sup>36</sup> Ibid.

<sup>37</sup> The World Survey on the Role of Women in Development, on the theme of “gender equality and sustainable development”, Report of the Secretary-General (A/69/156).

[https://sustainabledevelopment.un.org/content/documents/1900unwomen\\_surveyreport\\_advance\\_16oct.pdf](https://sustainabledevelopment.un.org/content/documents/1900unwomen_surveyreport_advance_16oct.pdf)

<sup>38</sup> Ibid.

<sup>39</sup> About UN Women, UN Women. [www.unwomen.org/en/about-us/about-un-women](http://www.unwomen.org/en/about-us/about-un-women)

population and 77 per cent of the female population belongs to the rural areas.<sup>40</sup> Women constitute nearly 50 per cent of population, perform two-thirds of the work and produce 50 per cent of food commodities consumed by the country but only earn one third of remuneration and own just 10 per cent of the property or wealth of the country.<sup>41</sup> Therefore, not only are women financially weak and oppressed, but majority of them also reside in rural areas and have not been the beneficiary of the development that the country has achieved in the past few decades, most of which has been restricted to major towns and cities.

These rural women share abundant responsibility with men and perform a wide spectrum of duties such as running the family, maintaining the house hold which can include rearing, feeding, attending to farm labour and tending domestic animals.<sup>42</sup> Despite their massive contributions, women in India are still viewed in an unfavorable light and treated as weak and dependent on men. They thus suffer from severe economic and social invisibility as they are unable to fully participate in the formal workforce and hold no sway in the social fabric of society.

### Key Issues

The following is a list of major issues pertaining to the status of women in India primarily but also includes issues faced by women all over the world:

- Rural women in India and other parts of the world are often the most disadvantaged part of the population while also at the same time making the majority of the population. Hence any plans for including women in development need to first and foremost focus on alleviating the status and inclusion of rural women.
- Women in India and other parts of the world are disproportionately left out of inheriting land either through cultural stigma or in some cases through the country's own domestic laws. This thwarts their financial stability and growth and prevents them from taking part in development. Furthermore, 90 per cent of 143 economies studied even have laws that restrict women's economic opportunities and the types of jobs they can do.<sup>43</sup>
- Due to their social invisibility and lower status in the society as compared to men, parents in rural India often choose to educate their sons while daughters are left to perform most of the unpaid labour further contributing to their lack of involvement in office jobs and subsequent lack of contribution to the economy. These women in rural areas derive their livelihoods from small-scale farming, almost always informal and often unpaid. In South Asia, over 80 per cent of women in non-agricultural jobs are in informal employment, in sub-Saharan Africa, 74 per cent, and in Latin America and the Caribbean, 54 per cent.<sup>44</sup>

<sup>40</sup> Sahib Singh, Gaurav Thakur, P C Gupta, A Case Study on Empowerment of Rural Women through Micro Entrepreneurship Development, (IOSR Journal of Business and Management, Volume 9, Issue 6, 2013), 123. <https://pdfs.semanticscholar.org/b91b/f0f6ebb89e731a19688c925309aa848b8729.pdf>.

<sup>41</sup> Ibid.

<sup>42</sup> Ibid.

<sup>43</sup> Women, Business and Law 2014: Removing Restrictions to Enhance Gender Equality, p. 8, World Bank 2014. <http://wbl.worldbank.org/~media/FPDKM/WBL/Documents/Reports/2014/Women-Business-and-the-Law-2014-Key-Findings.pdf>.

<sup>44</sup> Progress of the World's Women 2015-2016. Chapter 2, p. 71; Ibid. ch.2, p.43, UN Women. <https://unstats.un.org/sdgs/files/report/2017/secretary-general-sdg-report-2017--EN.pdf>.

- Due to their lower status in society, women even remain underrepresented in leadership and management level positions in the public and private sectors. Less than one-third of senior- and middle-management positions are held by women.<sup>45</sup>
- A major hindrance to development in India is child mortality and women play an important part in benefitting these children's lives, much more so than men. Evidence from a range of countries shows that increasing the share of household income controlled by women, either through their own earnings or cash transfers, changes spending in ways that benefit children.<sup>46</sup> A study using data from 219 countries from 1970 to 2009 found that, for every additional year of education for women of reproductive age, child mortality decreased by 9.5 per cent.<sup>47</sup>
- Further contributing to lack of female participation in the formal workforce are harmful practices, such as child marriage and female genital mutilation which continue to rob women and girls of equal opportunities. The numbers are staggering— at least 200 million women and girls have undergone Female Genital Mutilation (FGM); and over 750 million women and girls alive today were married before their 18th birthday.<sup>48</sup>
- Lack of women's representation in politics is also a big cause behind why the development that has taken place in recent decades in developing countries such as India have left women behind. While 39 per cent of countries worldwide have used some form of quota system to increase women's representation in politics, parity is far from reality—as of 2017, only 23.4 per cent of all national parliamentarians are women.<sup>49</sup>
- Increasing participation of women in development has tremendous benefits both for the country's overall development and its economy. When more women work, economies grow. An increase in female labour force participation results in faster economic growth.<sup>50</sup> It is calculated that women could increase their income and thus the overall output of the economy globally by up to 76 per cent if the employment participation gap and the wage gap between women and men were closed. This is calculated to have a global value of USD 17 trillion.<sup>51</sup> Women's economic equality is good for business. Companies greatly benefit from increasing leadership opportunities for women, which is shown to increase organizational effectiveness. It is estimated that companies with three or more women in senior management functions score higher in all dimensions of organizational effectiveness.<sup>52</sup>

<sup>45</sup> UN Economic and Security Council, Progress towards the Sustainable Development Goals: Report of the Secretary-General (E/2017/66), 2017. <https://unstats.un.org/sdgs/files/report/2017/secretary-general-sdg-report-2017--EN.pdf>.

<sup>46</sup> World Development Report: Gender Equality and Development, p. 5, The World Bank, 2012. [World Development Report: Gender Equality and Development](#)

<sup>47</sup> Facts and Figures: Economic Empowerment. UN Women. <http://www.unwomen.org/en/what-we-do/economic-empowerment/facts-and-figures>

<sup>48</sup> UNICEF, Female Genital Mutilation and Cutting, 2017. <https://data.unicef.org/topic/child-protection/female-genital-mutilation-and-cutting/#>

<sup>49</sup> Inter-Parliamentary Union, Women in national parliaments. <http://archive.ipu.org/wmn-e/classif.htm>

<sup>50</sup> Gender Equality in Education, Employment and Entrepreneurship: Final Report to the MCM, Organization for Economic Cooperation and Development (OECD), 2012. <http://www.oecd.org/employment/50423364.pdf>

<sup>51</sup> Close the Gap! The cost of inequality in women's work, p. 9, Actionaid, 2015.

[http://www.actionaid.org.uk/sites/default/files/publications/womens\\_rights\\_on-line\\_version\\_2.1.pdf](http://www.actionaid.org.uk/sites/default/files/publications/womens_rights_on-line_version_2.1.pdf)

<sup>52</sup> McKinsey & Company, Women Matter 2014. p. 6, <https://www.mckinsey.com/global-themes/gender-equality/women-matter-ten-years-of-insights-on-gender-diversity>

### *Conclusion*

Throughout this paper, it has been clearly established that women play a massive role in the development of a country and that increasing their participation in the formal workforce will reap tremendous benefits both for the children of the country and the country's economy and subsequently its overall wealth and status. It is therefore imperative the Member States work together, exchange best practices, and guide each to achieve gender equality in all realms of society. It is also important that special attention be paid to rural women who are essential in the development of the economy and are often one of the most marginalized groups in the country. It is only through full inclusion of women in development that nation states will be able to achieve their true economic potential and make great strides in other areas of life as well.

### *Next Steps*

It should be clear by now how essential women are to a country's overall development. However, several major hurdles exist before women's true potential can actually be used for the benefit of all. While conducting your research, it will thus be useful to keep the following questions in mind:

- Given the importance of rural women in both development, improvement in child mortality rates and global hunger, what can the international community do to further their access to education and equal opportunities?
- What incentives can be provided to rural communities to educate both their sons and daughters rather than just their sons?
- What can cross-country and especially South to South cooperation contribute to women's empowerment?
- What can the GA2 do to encourage its members to ensure full legal and social equality for the women of their countries including an increase in political representation?
- What can be done to address the gender pay gap which is responsible for holding women back especially in the private sector?
- What can members do to affirm their commitment to this issue and make it an important part of their national agenda?

## II. Financial Inclusion for Sustainable Development

### *Introduction*

Financial inclusion is not among the United Nations' (UN) 17 Sustainable Development Goals (SDGs). According to the World Bank, “[f]inancial inclusion means that individuals and businesses have access to useful and affordable financial products and services that meet their needs—transactions, payments, savings, credit and insurance -- delivered in a responsible and sustainable way.”<sup>53</sup> This issue is dealt with by many refugees, who arrive in new countries without any sort of bank accounts or other financial services.<sup>54</sup> The most concerning consequence of the lack of access to financial inclusion is that it makes it harder for people to get paid. Today, a common way for workers to get paid is through checks or electronic transactions, instead of through cash. If one does not have access to a bank account, it is harder or even impossible for him or her to get paid. Financial inclusion is essential for sustainable development because it makes it possible to include more people in the economy, which can facilitate economic growth.

Other worries include not having a safe place to store earnings, which is especially an issue for refugees who may have to reside in refugee camps. When sleeping in an area with many other people, storing money without a bank account puts refugees at a greater risk of experiencing theft. Another group that experiences the burden of a lack of financial inclusion is poor women, who are 1.1 billion of all adults that are unbanked worldwide. This means that poor women make up most of the population of financially excluded people. Many women lack not only financial literacy, but also access to key financial services. In addition to being an essential part of being able to function in a workplace and the economy, financial inclusion is also an important part of social inclusion. Increasing financial inclusion would allow women, as well as other groups affected by the issue, to increase their overall assets, their countries' expenditures, and to cut rural poverty.<sup>55</sup> However, it is crucial to keep in mind that there are a variety of different groups may challenge the possibility of finding a single, universal solution to this issue.

### *International Framework and Committee-specific Action*

In Section I of the Monterrey Consensus of the International Conference on Finance for Development, Point 8 emphasizes the need for globalization to be “fully inclusive and equitable.” The point later discusses how it is important that countries with more advanced economies and countries with developing economies cooperate and work with one another.<sup>56</sup>

Section II, point 10, of the document highlights the challenge of guaranteeing the proper stipulations for generating domestic savings in both the public and private sectors. Point 15 of the same section calls attention to the need for a clear, efficient, and successful way of mobilizing public resources and the management of such resources by Governments. Drawing back to the issue of financial inclusion affecting certain groups, such as

<sup>53</sup> World Bank, Financial Inclusion, 2017. <http://www.worldbank.org/en/topic/financialinclusion>.

<sup>54</sup> Klapper, Financial Inclusion Has a Big Role to Play in Reaching the SDGs, 2016. <http://www.cgap.org/blog/financial-inclusion-has-big-role-play-reaching-sdgs>

<sup>55</sup> Klapper, Financial Inclusion Has a Big Role to Play in Reaching the SDGs, 2016. <http://www.cgap.org/blog/financial-inclusion-has-big-role-play-reaching-sdgs>

<sup>56</sup> United Nations, Monterrey Consensus of the International Conference on Finance for Development, 2002. <http://www.un.org/esa/ffd/monterrey/MonterreyConsensus.pdf>

women, point 18 of section II, emphasizes the importance of access to credit and savings for small enterprises. In this point, the use of various financial institutions is suggested as a way to remedy issues regarding access to finance.<sup>57</sup>

In the Addis Ababa Action Agenda of the Third International Conference on Financing for Development, there were also a few policies and actions that focused around promoting financial inclusion, though they have yet to be implemented. In this draft resolution, Member States recalled this fact and said that they look forward to the implementation of these policies.<sup>58</sup> The draft resolution also notes that the report of the Inter-Agency Task Force on Financing for Development 2017 has called attention to the fact that 2 billion people, most in developing countries, specifically rural areas, do not have access to proper financial services.<sup>59</sup>

To further highlight the importance of addressing financial exclusion, the draft resolution remarks the rapid progress that countries who address this issue make, in comparison to countries who do not adopt policies to promote financial inclusion:

“5. Notes that there is evidence that countries that adopt national financial inclusion strategies reduce exclusion twice as fast as those that do not, and in this regard encourages all States to consider the convenience of adopting and pursuing national financial inclusion strategies and to expand peer learning, experience - sharing, and capacity-building among countries and regions in this respect...”

In recent years, the South–South cooperation has recognized the importance of effective financial inclusion policy in order to better deliver appropriate financial services to the poor. Because of this, financial policy makers from nearly 100 developing and emerging countries now comprise a global knowledge-sharing network called the Alliance for Financial Inclusion (AFI).<sup>60</sup>

In 2015, the GA2 began working on a draft resolution for financial inclusion for sustainable development (A/C.2/70/L.36) on November 17<sup>th</sup>. Work on this draft resolution continued until the next month, when it became General Assembly resolution Financial inclusion for sustainable development on December 22<sup>nd</sup>. However, the GA2 came back to address this issue two years later and their latest draft resolution for financial inclusion for sustainable development (A/C.2/72/L.51) was in the works on November 16<sup>th</sup>, though their work began in early October.<sup>61</sup>

Consideration was given to financial inclusion in the report of the Inter-Agency Task Force on Financing for Development 2017, which was a positive step toward promoting financial inclusion for all. This progress was noted in a General Assembly draft resolution, Financial inclusion for sustainable development, in the Second Committee of the General Assembly on 6 October 2017. This resolution reaffirmed General Assembly resolution Transforming our world: the 2030 Agenda for Sustainable Development, which aimed to adopt policies to

<sup>57</sup> United Nations, Monterrey Consensus of the International Conference on Finance for Development, 2002.

<http://www.un.org/esa/ffd/monterrey/MonterreyConsensus.pdf>

<sup>58</sup> United Nations, Financial Inclusion for Sustainable Development, 2017. <http://undocs.org/A/C.2/72/L.10>

<sup>59</sup> United Nations, Financial Inclusion for Sustainable Development, 2017. <http://undocs.org/A/C.2/72/L.10>

<sup>60</sup> Jha and McCawley, South-South Economic Linkages: An Overview, 2011.

<https://www.adb.org/sites/default/files/publication/29073/economics-wp270.pdf>

<sup>61</sup> United Nations, Financial Inclusion for Sustainable Development, 2017. <http://undocs.org/A/C.2/72/L.10>



increase financial inclusion. The resolution also reaffirmed General Assembly resolution Addis Ababa Agenda of the Third International Conference on Financing for Development (Addis Ababa Action Agenda).<sup>62</sup>

However, in this draft resolution, it is also noted that although there were several targets in the 2030 Agenda for Sustainable Development that were related to financial inclusion, none of them directly or properly addressed the topic. Member States reaffirmed their decision to consider financial inclusion in the review framework of the 2030 Agenda for Sustainable Development, in which they reaffirmed their desire to strive for financial inclusion.<sup>63</sup>

### *Case Study and Key Issues*

In recent years, the government of Brazil has worked on some initiatives to provide people with better access to financial resources, specifically correspondent banking, simplified bank accounts, and payroll bank loans.<sup>64</sup>

Between the years 2004 and 2011, Brazil experienced an impressive financial deepening. The size of the country's credit market robustly increased and total loans flourished at an astounding annual rate of 21 percent between 2003 and 2011. This type of growth is common among many developing countries, but is particularly impressive in Brazil. Brazil's growth happened as a result of the country's increased access to financial services. From 2006 to 2011, the total amount of the population that was banked increased by 12 percent -- from 50 percent to 62 percent -- according to the Central Bank of Brazil (BCB).<sup>65</sup>

This impressive growth due to better access to financial services demonstrates the necessity of people having better resources. Better resources not only improve the financial conditions of individuals and small enterprises, but also the economy. Brazil's progress in financial inclusion had positive impacts on their inflation rates, thus demonstrating the positive effects of bettering the resources available to the public.<sup>66</sup>

The following list highlights the key issues surrounding proper and universal access to financial services for all people, including refugees and impoverished populations:

- Women and refugees are disproportionately affected by this issue.
- There is difficulty providing refugees with access to financial services because of their displacement and possible lack of paperwork.
- Many people in rural areas in developing countries do not have access to appropriate financial services.
- Bettering access to bank accounts will cause an increase in the amount of people with savings accounts. The more people there are that have savings accounts, the more people there are that are accumulating

<sup>62</sup> United Nations, Transforming our world: the 2030 Agenda for Sustainable Development, 2015.  
[http://www.un.org/ga/search/view\\_doc.asp?symbol=A/RES/70/1&Lang=E](http://www.un.org/ga/search/view_doc.asp?symbol=A/RES/70/1&Lang=E)

<sup>63</sup> United Nations, Transforming our world: the 2030 Agenda for Sustainable Development, 2015.  
[http://www.un.org/ga/search/view\\_doc.asp?symbol=A/RES/70/1&Lang=E](http://www.un.org/ga/search/view_doc.asp?symbol=A/RES/70/1&Lang=E)

<sup>64</sup> de Paula Rocha and Nakane, Policy Innovations to Improve Access to Financial Services: The Case of Brazil.  
[https://www.cgdev.org/doc/LRS\\_case\\_studies/Nakane\\_PaulaRocha\\_Brazil\\_r1.pdf](https://www.cgdev.org/doc/LRS_case_studies/Nakane_PaulaRocha_Brazil_r1.pdf)

<sup>65</sup> de Paula Rocha and Nakane, Policy Innovations to Improve Access to Financial Services: The Case of Brazil.  
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<sup>66</sup> de Paula Rocha and Nakane, Policy Innovations to Improve Access to Financial Services: The Case of Brazil.  
[https://www.cgdev.org/doc/LRS\\_case\\_studies/Nakane\\_PaulaRocha\\_Brazil\\_r1.pdf](https://www.cgdev.org/doc/LRS_case_studies/Nakane_PaulaRocha_Brazil_r1.pdf)

interest. The increase in expenditure caused by addressing this issue may cause inflation in any country that implements policies targeted toward bettering financial inclusion.

- Changes in social dynamics for countries with different cultural values, such as Member States who place more emphasis on the role of women at home. Such cultural values make it more strenuous to provide women with financial inclusion. Women in Africa in particular do not always have the right to be in charge of their own finances, meaning that it may be difficult to provide the same access to financial services to the women that are affected by this issue.

## *Conclusion*

Financial inclusion is an essential topic to address because of difficulty it causes people in situations such as getting paid for work. Not only is a lack of financial literacy sometimes the root of financial exclusion, but also a lack of access to the appropriate financial resources. Certain groups of people, such as refugees and women, particularly struggle with financial inclusion for a variety of reasons such as relocation and certain cultural values maintained in their countries.

When addressing the issue of financial inclusion, it is important to look at resolutions passed by the UN that tackle this area. Many resolutions have advocated for the development and support of financial institutions, such as banks, that would make access to financial resources less challenging. Financial inclusion is an issue faced not only by individuals, but also by small enterprises, which is an important factor to consider when drafting legislation. Moving forward, it is critical to understand and consider what previous legislation has been successful and what issues legislation has failed to properly address.

## *Next Steps*

On paper, it can appear that some international bodies are working to improve financial inclusion. However, the many pages of international laws have not yet broken down the barriers, such as a lack of both financial literacy and access to resources, that prevent many people from having bank accounts and access to financial services, they have simply acknowledged its importance. Additionally, there are many different populations worldwide that are affected by a financial exclusion and many have differing circumstances that might defy a simple, universal solution. Worryingly, as well, financial inclusion may worsen over time as banking and other financial services become increasingly electronic and underprivileged groups are left out. While conducting your research, it will be useful to keep the following questions in mind:

- Why have present international laws failed to ensure access to financial services?
- What steps should be taken to ensure that designed measures to provide financial inclusion to refugees and impoverished people could be economically efficient?
- What types of financial services will be accessible to those who have not previously had it?
- What steps, if any, should states less affected by a lack of financial exclusion make to assist other states with providing financial inclusion?

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This website is paramount to understanding the majority of the international efforts that have been made in alleviating the status of women all around the globe. UN Women is also a great source of information of the status of women and does a great job in highlighting the biggest problems they face and how to work towards solving them.

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This document combines the issues of sustainable development and gender equality into a comprehensive report. It details how the two issues are intrinsically linked and documents the progress that has already been made in this area. It is also a great source for developing new and innovative solution to both the problems.

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This background paper is great for exploring the history of how the Women in Development approach was developed and how it aims to improve the situation of women around the world. It also provides other sources for research, and documents the achievements that have been made in this area since the approach was first developed.

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