

Delegation from The Argentine Republic
Position Paper for the General Assembly Second Committee

The topics before the General Assembly Second Committee are: External Debt Sustainability and Development; Facilitating Knowledge Transfer for Sustainable Development; and Ensuring Access to Affordable, Reliable, Sustainable, and Modern Energy for All. The Argentine Republic is committed to thorough discussion and multilateral collaborative efforts towards the presented topics, recognizing the necessity for a spirit of global partnership in the pursuit of sustainable development and prosperity.

I: External Debt Sustainability and Development

The Argentine Republic reaffirms that unsustainable debt levels are not conducive to effective development policies. Assisting developing Member States in reducing their debt and preventing the growth of unsustainable debt in order to transition into a more long-term stable country is one of the pillars of the *2030 Agenda for Sustainable Development* (2015). Currently, the international community faces two major challenges in addressing this issue. First, the increase of non-Paris Club and foreign private collectors means higher interest rates and shorter contracts, which often lead to more debt distress for borrowers. Second, in terms of private sector debt, the increase in external debt and service ratios of private sector actors increases the chances of developing countries falling into debt traps, illustrated by Argentina's prior default in 2001 following a holdout by American hedge funds seeking a greater payout. Most recently, our government was approved for a US\$50 billion stand-by arrangement from the International Monetary Fund (IMF), with the aim to strengthen the country's economy by restoring market confidence, protecting society's most vulnerable, strengthening the credibility of the central banks through reduction of public debt and inflation, and reinforcing the independence of the central bank through macroeconomic programs. Internationally speaking, Argentina supports resolutions such as the *Addis Ababa Action Agenda* (2015), which focuses on financing and creating an enabling environment at all levels for sustainable development through concrete policies and actions. As a result of our own experience, Argentina fully supports UN resolutions on a new global framework for debt restructuring to protect low income countries. We recommend that the UN create a similar body to the IMF, allowing the organization of bilateral funding from public and private parties for the repayment of debt. This body would also enable Member States to create joint ventures to socialize the costs of transnational projects through international bond offerings and thus enable countries with poor credit to be offset by countries with good credit. Further, competition between bidders increases the quality of projects and mitigates risk through the use of multiple Member States and private parties. Argentina further proposes to implement binding laws, such as the Model Law on Cross-Border Insolvency, adopted by the United Kingdom. Argentina proposes that legislative efforts be made to limit the ability of bondholders to enforce payments and suggests that unless the majority of bondholders agree to a hold out, the court should side with the borrowing country. Such international standardized regulation will provide security and more options for states facing extreme debt by significantly reducing the ability of bondholders to entrap developing countries.

II: Facilitating Knowledge Transfer for Sustainable Development

Argentina recognizes the importance of Information and Communication Technologies (ICTs) in securing sustainable economic development. With 93% of Argentina's population having reliable access to the internet, we are increasingly focused on developing these technologies developing nations with a particular focus on the digital gender divide. Stressing also that all Member States should have access to international academia concerning solutions in renewable energy sector, aligning with the United Nations Framework Convention on Climate Change's mandate towards the transfer of relevant climate technologies. The Buenos Aires Declaration on ICTs for SDGs in 2017, further recognizes the need for a multidimensional approach to accomplishing this goal. The primary means by which technology transfers are advanced in Argentina includes local academic research and development, purchasing technologies from private firms, and foreign direct investment. Our government therefore supports University – Industry – International collaborative research projects through public funds, such as the Fondo Tecnológico Argentino (FONTAR), which catalyzes bi-directional technology transfers. With reference to the most recent General Assembly resolution on *ICT's for Sustainable Development* 73/218 (2018), Argentina recognizes that ICTs are critical enablers of economic growth, which is pillared by strong educational foundations. The Argentine government thus encourages the establishment of an international fund for communications and engineering students who pursue projects on knowledge platforms for sustainable development. The fund

can act as an insurance pool, where participating Member State who donate regularly are rewarded with grants and bursaries to support and encourage students to engage in research projects and entrepreneurial ventures for ICT development. Member States should find financial means to contribute to the fund by seeking sponsors from the academic sector, energy sector, and by utilizing taxation income, however it is crucial to note that the existing digital gender divide within access to ICTs for education and employment can limit the full potential of academic institutions in this undertaking. Since female economic autonomy is absolutely necessary for achieving the SDGs, we welcome initiatives that allow more women to participate in online networks; hence, providing more women with the potential to progress sustainable communities, propagate responsible consumption/production, and take climate action. Argentina thus propose the establishment of projects by UN Women to employ educational professionals who may travel internationally to develop modern day digital skills in communities that may have access to, but are untrained, on the potential of ICTs for developing their own careers, digital economy, and global perspective. These University–Industry–International cooperative projects can be subsidized through public funds such as the FONTAR and ultimately lead to the better bridging of sustainable development technologies locally and globally.

III: Ensuring Access to Affordable, Reliable, Sustainable, and Modern Energy for All

Global population without access to modern energy fell below one billion in 2017, the best outcome yet in modern history. Amidst this exceptional development, with Argentina achieving 100% access to energy in 2014, sustainability remains a critical barrier to furthering this goal as we visualize a society with more decentralized renewable energy systems. Renewables and environmental protection are secured within our national constitution and our *Renewable Energy Act* (2015) set the national mandate to achieve 20% of electricity consumption from renewable sources by 2025; however, by the end of 2018, less than 2% of Argentina's energy supply was based on wind and solar power, these being the quintessential renewables for decentralized energy systems such as those appearing in Germany and the Republic of Korea. Argentina recognizes that affordability and international financial support is a fundamental barrier to increasing renewable energy production and as a result has taken action to bolster the economy of this industry amidst our government's underperforming credit rating which was hindering future development funds. Argentina has established a trust fund, the *International Bank for Reconstruction and Development Guarantee*, under the Fund for the Development of Renewable Energies (FODER) as a means to increase private investment in a secure fashion, which is distributed through Renewable Energy Auctions (RenovAr) and have awarded contracts for 147 renewable energy projects. To address persistent challenges in grid access within a nation, particularly in rural populations, Argentina recommends a multi faceted approach; on one hand increasing national grid capacity, and on another increasing decentralized energy systems which are renewable in nature. To address the latter, new government investment initiatives need to be enacted for mitigating the shortage of skilled labor workers, such as solar installers and electrical engineers, as their technical skills can quickly develop rural community renewable energy systems in a safe manner. The International Labor Organization has recognized this shortage, which should also be recognized by UN Environment Assembly, UN Industrial Development Organization, and the UN Development Programme as a potential stream for investment into tertiary education and labor training programs. Aside from labor shortages, affordability for sustainable energy remains problematic in rural communities. Our government stresses the need for legislative reform to bolster fiscal incentives for promoting green citizenship by increasing tax credits and fund allocation to independent power producers. It can be advantageous for Member States to adopt analogous frameworks to Argentina's FODER and to create micro focused versions of RenovAr to subsidize local green economies. We envision a future where these funds provide a form of sustainably calculated green basic income to citizens that is proportional to their power generation capacity. In order for populations to have faith in the reliability of government green basic income, these funds need to be internationally regulated by international financing institutions so that citizens aren't discouraged from pursuing substantial investments in wind and solar energy systems due to broken financial promises. By calling for the endorsement of decentralized grid systems, we can realise growth in a post-modern energy market where independently generated surplus energy can be sold back into the grid network allowing citizens to become private stakeholders in the energy distribution system. Argentina believes that a new international investment focus, specifically on skilled labor training, as well as government adoption of RenovAr like financing initiatives for independent power producers, will not only speed up continental access to energy but will also strengthen avenues towards sustainable energy that can outcompete unsustainable fossil fuel-based alternatives.